

Sexual Harassment: No Longer Easy to Dismiss

By Jane Gross
New York Times Service

SAN FRANCISCO — Sexual harassment complaints to the Equal Employment Opportunity Commission are up sharply, Congress and the White House have responded to allegations of sexual abuse in the military in ways that would have been unimaginable nine months ago. Employers are scurrying to hire sensitivity trainers to teach men how to treat women. And men are wondering how they failed to notice the anger of their female colleagues.

This change in attitudes, experts of both sexes and all political persuasions agree, is a direct result of the outlandish broadcast colloquium on sexual harassment last fall, the Senate confirmation hearings for Judge Clarence Thomas's nomination in the Supreme Court.

While insufficient to deny Judge Thomas a seat on the court, Anita Hill's allegations of sexual harassment against her former boss marked a watershed in America's war between the sexes, a moment when men and women started to think about things differently.

"The one good thing to come out of the hearing is that everybody — and I mean everybody — is more aware," said Senator Orrin G. Hatch, Republican of Utah, a member of the Senate Judiciary Committee, which conducted the hearings last October.

Ann F. Lewis, a Democratic political consultant, agreed. "It will never be a joke again," she said. "Both the seriousness of sexual harassment and its force as a political issue have been established — firmly established — beyond snickers, giggles and questions."

The new boldness of women is clear in recent statistics from the Equal Employment Opportunity Commission, the U.S. agency that enforces employment-discrimination laws.

The commission reports that sexual harassment charges filed in the first half of the 1992 fiscal year increased by more than 50 percent, to 4,754 complaints from 3,135 in the same period the year before.

And other examples that women are no longer inclined to suffer in silence abound:

At the School of Medicine at the University of California at San Francisco, the year-end parties for residents, with standard bawdy skits and dirty jokes, drew complaints from female physicians for the first time.

In Prince Georges County, Maryland, female public school students have filed as many reports of "inappropriate touching" in the first three months of 1992 as they did the entire year before.

The uneasiness among political leaders is manifest in their reaction to the recent scandal involving the manhandling of at least 26 women by a group of naval aviators at a convention in Las Vegas. It led to the resignation of the secretary of the navy and the reassignment of an admiral who ignored the complaints of his aide.

The scandal also led Congress to stall hundreds of U.S. Navy and Marine Corps promotions and eliminate 10,000 administrative jobs. And it persuaded President George Bush to forgo the traditional note of regret when he accepted the resignation of H. Lawrence Garrett 3rd, the former secretary, and to invite to the White House the admiral's aide, Lieutenant Paula Coughlin, who publicly described the terror of being pushed down a gantry of groping arms.

Some political observers say that, because of their egregiousness, the charges by military women have helped to boil the national dialogue that began at the confirmation hearings for Judge Thomas.

"This moves the debate way beyond, 'Does this mean I can't tell her she's pretty?'" Ms. Lewis said. "The imagery of the gantry is so violent, the abuse of power at the expense of vulnerable women so clear, that it leaves no ambivalence."

Roger Wilkins, a professor of history at George Mason University in Washington, said many men who had been unmoved by Professor Hill's testimony responded to the recent scandal. "They were speechless, profoundly shocked," he said.

UN Warns Of Risk in Flying Aid To Sarajevo

Compiled by Our Staff From Dispatches

SARAJEVO, Bosnia-Herzegovina — A UN official warned Western governments on Monday of the dangers of flying aid into this capital after three French relief planes were hit by small-arms fire as they were landing at the airport.

Major General Lewis MacKenzie, the United Nations commander in Sarajevo, said he had informed governments of the risks but added that all 17 scheduled flights carrying 207 tons of food landed Sunday and that 17 more were expected Monday.

"It is up in the governments whether to send the planes and up to the pilots whether to land," he said. The aircraft were hit last week and Sunday by small-caliber bullets that did not penetrate the craft. All were hit on final approaches to the airport but were able to land without problems, the general said.

The airport, which had been under Serbian siege, was reopened by UN peacekeepers on June 29.

The United States and several European countries have flown cargoes to the city. General MacKenzie gave no explanation for the fact that only French planes were targeted.

Pierce fighting was reported to have spread to strategic towns north and south of Sarajevo. Much of the worst fighting was taking place close to the airport.

Sarajevo radio reported fighting involving tanks and artillery around the towns of Doboj, north of Sarajevo, Jajce to the northeast and Gorazde to the south.

The tension in Sarajevo, whose 380,000 people have been under siege three months, prompted Secretary-General Butros Butros Ghali to ask the Security Council for a further 500 UN troops to secure the airport. The council immediately approved. Egypt, France and Ukraine are to send 1,500 troops to Sarajevo. The current UN relief contingent stands at 1,104 troops and civilians.

France announced Monday that it was postponing sending nine military helicopters pledged to the UN in Sarajevo. It was unclear whether the postponement was linked to the shooting incidents.

UN officials managed on Sunday to relieve briefly a 71-day siege of Dobrinja. They sent 12 trucks, guarded by UN armored cars and carrying more than 100 tons of food, through Serbian lines into the suburb.

Food was getting through to 80 percent of Sarajevo residents, though still out on a daily basis, said Peter Kessler of the UN High Commissioner for Refugees.

Outside Sarajevo, fighting was unabated. Serb troops claimed some strategic victories in northern Bosnia and Herzegovina.

The international community, led by the United States, said it was sending warships and aircraft to the region to secure relief flights, but backed off from military intervention.

Italian warships taking part in an international naval operation to enforce sanctions against Serbia have begun interrogating freighters entering the Adriatic Sea, an Italian commander said on Monday.

Admiral Achille Zanoni, commander of Italian naval forces in the Adriatic, was speaking as U.S. and European vessels steamed towards the region to support the patrol aimed at stepping up pressure on Serbia.

He said a French light frigate armed with Exocet missiles had on Monday joined the Italian frigate Espero and corvette Urania patrolling the Croatian Channel off southeastern Italy at the mouth of the Adriatic.

The three ships are part of a Western European Union contingent which officials say will coordinate with an eight-ship NATO group.

In Bonn, a defense spokesman said German vessels would not join in the patrol until the government decided whether this was legal. A cabinet meeting is set for Wednesday. (AP, Reuters)



The head of the Democratic Revolutionary Party, Cuauhtémoc Cárdenas, center, and Cristóbal Arias, second from right, on Monday celebrating Mr. Arias's victory.

Mexico Ruling Party All but Admits First Big Loss

Compiled by Our Staff From Dispatches

CHIHUAHUA, Mexico — The governing party all but admitted defeat Monday in gubernatorial elections for Chihuahua, Mexico's largest and richest state. The loss would be one of the few setbacks in the Institutional Revolutionary Party's 63-year domination of Mexico.

The voting Sunday in Chihuahua, in the north, and in the Pacific state of Michoacán, was viewed as a gauge of President Carlos Salinas de Gortari's commitment to loosen the grip of his party over the country's political life.

Supporters of the main opposition party, the National Action Party, known by its Spanish acronym PAN, filled the streets of Chihuahua City overnight, celebrating the apparent victory of their candidate, Francisco Barrio. Mr. Barrio

had claimed that the governing party, known as PRI, cheated him of victory six years ago.

Mario Tarango Ramirez, the PRI's leader in Chihuahua, said that the results from the vote in Chihuahua state "don't favor us."

"If the tendency persists, we accept defeat."

"We would look bad to nip and tuck and fight for something we didn't win," he said.

In the gubernatorial election in Michoacán, the PRI was leading in early official returns. But the opposition accused the PRI of widespread fraud.

More official results in Chihuahua, which borders Texas and New Mexico, were expected later Monday, with final results Wednesday. Unofficial results announced early Monday by the PRI showed that with 1,524 polling stations counted

of a total of 3,095, PAN had 161,148 votes while the PRI had 151,700.

Results announced earlier by PAN showed Mr. Barrio won 60 percent of the vote over the PRI candidate, Jesús Macías, based on returns from about 700 polling places.

A heavy turnout was reported among Chihuahua's 1.2 million registered voters. Observers said there were many irregularities, but they stopped short of calling it fraud.

In Michoacán, the state election commission announced early Monday that with 23 percent of the polling places counted, the PRI candidate Edoardo Villasenor Peña had 58 percent of the vote and the opposition Democratic Revolutionary Party had 30 percent.

The Democratic Revolutionary Party, led by Cuauhtémoc Cárdenas, the son of a former president, immediately accused the PRI and the government of widespread fraud.

"This is not a clean process," the party's chief spokesman, Ricardo Pascoe, said Sunday. "It is full of an enormous amount of irregularities."

Michoacán was Mr. Cárdenas' stronghold in his 1988 bid for the presidency, which represented the strongest national opposition challenge to the PRI. Many people believe that Mr. Cárdenas was deprived of the presidency by fraud, allowing Mr. Salinas to win.

An opposition victory in either state would be only the second outright state victory by an opposition party since a precursor of the PRI was founded more than 60 years ago.

A PAN candidate was chosen governor of Northern Baja California in 1991. The party was also given interim control of the state of Guanajuato after the government forced the PRI candidate to step down amid charges of fraud.

Chihuahua and Michoacán represent almost opposite poles of Mexican reality.

Chihuahua has long prided itself on its economic vigor and political independence. The two gubernatorial candidates, both former mayors of Ciudad Juárez, do not hold radically different positions.

In Michoacán, one of the poorest of Mexico's 31 states, the Democratic Revolutionary Party ran a leftist firebrand, Cristóbal Arias, who promised to help the poor and small farmers, against Mr. Villasenor, who said he would reactivate the state economy by stimulating investment.

In Michoacán, Mr. Pascoe of the Democratic Revolutionary Party said that the government had made last-minute changes in voter rolls in parts of Morelia, the state capital, and had changed the location of polling places in areas of opposition support.

In the city of Uruapan, Mr. Pascoe said, at least five of the party's poll watchers had been pressured by the state police to leave their posts; in Zitacuaro, party workers had found a packet of credentials without addresses that were presumably to be used to cast fraudulent votes; and in the city of Lázaro Cárdenas, six government employees were found on Saturday with counterfeit election materials.

Officials of the State Electoral Commission in Michoacán would not comment immediately, either on those accusations or on reports that they had voted on Sunday afternoon to expel at least two foreign observers from the state.

In the vote, Roman Catholic priests cast ballots for the first time in 79 years, thanks to this year's reform of anti-clerical provisions of the constitution. (AP, NYT)

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Deng Yingchao Dies, Zhou Enlai's Widow

Compiled by Our Staff From Dispatches

BEIJING — Deng Yingchao, 88, the widow of former Prime Minister Zhou Enlai and an influential figure in China's aging Communist elite, died Saturday, the official Xinhua press agency reported.

A member of the Politburo from 1978 to 1985, Mrs. Deng retained an influential voice in China's ruling councils even after her normal retirement in 1988.

Mrs. Deng and Mr. Zhou adopted the present prime minister, Li Peng, when his parents were killed during China's civil war.

Mrs. Deng's power and influence arose not only from her marriage to Mr. Zhou but also because she was one of only about 50 women to complete the 6,000-mile Long March of 1934 and '35. In that epic series of running battles, the Communist Party leadership and its army held off Nationalist forces until it reached a haven in Yenan, in China's rugged north. From there, the Communists went on to win the revolution in 1949.

Mrs. Deng met Mr. Zhou when they were leading activists in the coastal city of Tianjin during the famous May 4th Movement of

1919. That student-led protest was an important event in the Communist Chinese revolution.

The couple married in 1925, the year she joined the Communist Party. Mr. Zhou died in 1976.

Mrs. Deng remained a committed party member all her life, succeeding like her husband, in maneuvering through all of its factional struggles without being fatally embroiled. (AP, LAT)

Other deaths: Sir Basil Smallpiece, 85, who headed the British air force BOAC and the Cunard shipping company, of heart failure in Epsom.

Anette Fischer, 46, a senior official of Amnesty International, and her husband, Karl, in a car crash near Florence on Saturday while returning home to Denmark.

The Reverend Renben A. Sheares, 58, a former national executive and nationally known leader of the United Church of Christ, after a heart attack Sunday in Chicago.

Madeleine Dassault, 91, widow of the French aviation pioneer and business leader Marcel Dassault, in Paris on Sunday.

Weather Alert On TV Creates Its Own Storm

The Associated Press

DAYTON, Ohio — Trying in warm views of an expected storm, a television station here inadvertently broadcast a national emergency message in a storm.

WHIO, a CBS affiliate, intended to broadcast a regional weather alert Sunday evening on the Emergency Broadcast System, but mistakenly selected a tape from the files that signaled a national emergency.

The station's general manager, David Lippoff, said Monday. The message that was broadcast announced: "We interrupt at the request of the White House. This is the Emergency Broadcast System. All normal broadcasting has been discontinued."

The station was inundated with calls, including some from military personnel inquiring about the emergency.

Mr. Lippoff said the station immediately corrected the mistake and later broadcast an apology to its viewers.

WORLD BRIEFS

Ex-UN Chief Cautions Critics of China

HONG KONG (AFP) — Reports of human rights violations in China have been "grossly exaggerated," the former United Nations secretary-general, Javier Pérez de Cuéllar, said Monday. "I must act on the basis of evidence," he added. "I don't think there is enough evidence which would allow us to say that in China there is a tremendous violation of human rights."

On the military crackdown on unarmed democracy protesters in Beijing on June 4, 1989, he said he had "no evidence to tell you sincerely that hundreds of people were killed. 'I've been trying to get evidence, but I haven't received any.'"

Asbestos Case Jury Finds Negligence

BALTIMORE (AP) — A jury found six companies negligent Monday in the largest consolidation of asbestos personal injury claims in the United States.

The companies are GAF Corp., Keene Corp., Pittsburgh Corning Corp., ACES Inc., MCIC, and Porter-Hayden Co. Several other companies settled with plaintiffs.

The trial consolidated nearly 8,555 asbestos claims in Maryland and was closely watched as part of an attempt to whittle down a nationwide backlog of asbestos claims. The jury will now determine what damages to award. Inhaling asbestos fibers could cause fatal respiratory ailments.

Old Wound May Be Irritating Pope

ROME (AP) — Doctors found Pope John Paul II to have "moderate swelling" of the abdomen Monday as they investigated an intestinal problem that could be related to the shooting of him 11 years ago.

It was too early to make a diagnosis, said Dr. Corrado Mammì, chief anesthesiologist at Gemelli Clinic. Diagnostic tests were begun Monday morning at the Gemelli Clinic, the same Catholic hospital where the Pope had been rushed for surgery after by a Turkish gunman shot him in the abdomen in St. Peter's Square on May 13, 1981.

The Vatican spokesman, Joaquin Navarro Valls, said no details on the condition of the Pope, who is 72, were expected until the tests were completed, probably Tuesday. The tests were to include a CAT scan, a sophisticated X-ray.

Iraq Persists in Barring UN Team

BAGHDAD (NYT) — The confrontation between Iraq and the United Nations Security Council deepened Monday when Iraq again refused to allow UN inspectors to search the Agriculture Ministry for secret military plans. The Iraqi refusal came after the Security Council discussed the quarrel in New York but took no new action. A senior UN official later said that the standoff continued.

A team of UN inspectors has been waiting in air-conditioned cars outside the ministry for nine days demanding permission to enter. UN officials say they have received an intelligence tip-off that plans related to Iraq's ballistic missile program have been hidden there.

Writer of Ex-East Germany Assaulted

COLOGNE (Combined Dispatches) — Stefan Heym, 79, a writer from the former East Germany, was beaten up in a hotel restaurant here apparently because he was a co-founder of a "civil rights" movement for people from the East in a reunified Germany.

A Cologne police spokesman said that Mr. Heym, whose novels had been banned by the East German Communist government, suffered minor injuries to the face.

The assailant, the police said, was a former East German citizen who had emigrated to the United States and lived in Los Angeles for many years. The man, whose name was not made public, was said Monday to be on his way back to the United States. The assault took place Sunday night. (Reuters, AP)

For the Record

The trial of Algeria's top Muslim fundamentalist leaders was adjourned on Monday for 24 hours to allow Prime Minister Sid Ahmed Ghozali to be called as a witness, the official press agency APS reported. (Reuters)

Foreign Secretary Douglas Hurd of Britain and Deputy Foreign Minister Jiang Enzhu of China discussed financing of the new Hong Kong airport on Monday, the Foreign Office said, in a meeting it called "very friendly." (AFP)

TRAVEL UPDATE

Russia Mandates Travel Insurance

MOSCOW (AFP) — President Boris N. Yeltsin of Russia signed a decree on Monday establishing mandatory insurance for travelers, Interstate reported.

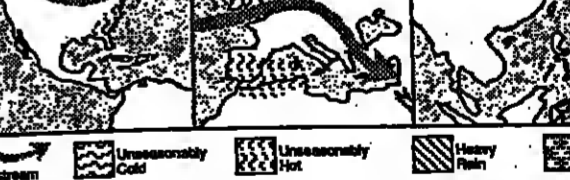
For a fee of five rubles (4 cents) on tickets costing more than 200 rubles, travelers in Russia will be eligible for compensation amounting to about \$720 in case of accident or death. The insurance covers travel in buses, trains, boats and planes.

Singapore and Laos will allow their airlines to operate three flights a week between Singapore and Vientiane, the Civil Aviation Authority of Singapore said Monday. It said SilkAir of Singapore planned to start flights to Vientiane next year, and Lao Aviation could begin operations to Singapore in the near future. (AFP)

Hundreds of air travelers were stranded in Guatemala City after traffic controllers took part Monday in a one-day general strike by government workers. Controllers diverted international flights to El Salvador. Union leaders said 85 percent of public hospital, electricity, transport, communications and other workers were on strike for higher wages. (Reuters)

The Weather

Forecast for Wednesday through Friday



Legend: ☁ Unusually Cloudy ☀ Unusually Hot ☁☁ Heavy Rain ☁☁☁ Heavy Snow

North America

Warm, humid weather with a few thundershowers and sunny spells is slated through Friday here. Rain will move northward and western Norway. Paris will have some sunshine and pleasant weather. A heavy wave will scorch southern Spain and northwestern Africa.

Europe

London will be breezy late on the week with a few passing showers. Rain will move northward and western Norway. Paris will have some sunshine and pleasant weather. A heavy wave will scorch southern Spain and northwestern Africa.

Asia

Rain will wet Tokyo Wednesday, and showers are possible throughout Japan and Korea into Friday. As usual, the humidity will remain high. Steamy tropical heat will persist in Shanghai, Hong Kong and Taipei with a chance for a downpour.

Region	City	Today	Tomorrow
Europe	Algiers	24-32	18-24
	Amsterdam	12-18	12-18
	Antwerp	12-18	12-18
	Athens	24-32	24-32
	Berlin	12-18	12-18
	Bombay	24-32	24-32
	Buenos Aires	24-32	24-32
	Calcutta	24-32	24-32
	London	12-18	12-18
	Madrid	24-32	24-32
Asia	Bangkok	24-32	24-32
	Beijing	24-32	24-32
	Hong Kong	24-32	24-32
	Manila	24-32	24-32
	New Delhi	24-32	24-32
	Seoul	24-32	24-32
	Singapore	24-32	24-32
	Taipei	24-32	24-32
	Tokyo	24-32	24-32
	Yokohama	24-32	24-32
Latin America	Buenos Aires	24-32	24-32
	Caracas	24-32	24-32
	Havana	24-32	24-32
	Los Angeles	24-32	24-32
	Managua	24-32	24-32
	Medan	24-32	24-32
	Montevideo	24-32	24-32
	Quito	24-32	24-32
	Santiago	24-32	24-32
	Sao Paulo	24-32	24-32
Middle East	Beirut	24-32	24-32
	Delhi	24-32	24-32
	Jerusalem	24-32	24-32
	London	24-32	24-32
	Manila	24-32	24-32
	Medan	24-32	24-32
	Montevideo	24-32	24-32
	Quito	24-32	24-32
	Santiago	24-32	24-32
	Sao Paulo	24-32	24-32
Oceania	Auckland	24-32	24-32
	Christchurch	24-32	24-32
	Dunedin	24-32	24-32
	Hamilton	24-32	24-32
	Wellington	24-32	24-32
	Auckland	24-32	24-32
	Christchurch	24-32	24-32
	Dunedin	24-32	24-32
	Hamilton	24-32	24-32
	Wellington	24-32	24-32

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the keynote speaker for
hours of exercises...

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Herald Tribune

Tame the Khmer Rouge

Remember last year's Cambodia peace agreement? World leaders congratulated themselves that they had helped negotiate an end to 20-plus years of carnage. But the diplomats underestimated the duplicity and intransigence of the Khmer Rouge.

The fascists who butchered a million fellow Cambodians in the late 1970s survived the years of Vietnamese occupation, thanks to military support from China and Thailand and diplomatic support from the United States. Now Pol Pot and his comrades openly defy basic provisions of the peace agreement they signed. They will not let United Nations peacekeepers enter areas under Khmer Rouge military control. And they refuse to demobilize 70 percent of their troops or restrict the rest to designated zones.

Their excuse is the alleged presence of Vietnamese army units, a charge that no one else takes seriously. In fact, the Khmer Rouge still believe that political power grows only out of the barrel of a gun. And

they note that UN peacekeepers have no mandate to enforce the peace agreement against armed resistance.

The defiance poses a clear challenge to the Security Council, with global stakes. The council can now move quickly to reinforce the authority of Yasushi Akashi, the capable UN administrator for Cambodia, using maximum diplomatic muscle backed by the threat of military force. Or it can let the Khmer Rouge wreck the peace.

What a terrible example such passivity would set for bullies elsewhere! And what an especially cruel betrayal it would be for Cambodians, who were forced to swallow Khmer Rouge participation as the price of an internationally sponsored peace.

The great powers assembled in the Security Council have the means to face this bullying down, if they will. They will fail not just Cambodians but vulnerable peoples everywhere if they don't.

—THE NEW YORK TIMES

How to Defeat Saddam

Last week's foiled military coup only underscores Saddam Hussein's continuing control of Iraq. That is causing anguish in the White House. But instead of giving up this losing game, coup-pushers there and in Congress are redoubling efforts to dislodge the Iraqi dictator. Their misguided shadow war threatens to undercut a far better way to undermine his rule — United Nations enforcement of the cease-fire resolution.

Despite the Iraqi dictator's defiance, the United Nations is disarming Iraq and provisioning and protecting the Kurds. Its very presence demonstrates the limits of his control. The UN effort deserves Washington's undivided support. Coup attempts that go awry will only undercut that effort.

In one of the worst kept secrets in recent years, President George Bush has signed a series of "findings" authorizing covert operations to overthrow Saddam. One such finding last November led to exploration of military options for supporting a coup once it began. But the Joint Chiefs of Staff wanted no part of that.

Another option was to aid opponents of the regime — Kurds, Shiites and dissident Sunnis in the army and the Ba'ath Party. But Middle East specialists in the State Department warned that various opposition groups could not pull together without major U.S. involvement and that Iraq

might fall apart. Iraq's neighbors were also lukewarm. Saudi Arabia, Syria and Iran were never sure which would benefit most from Saddam's ouster.

The chief enthusiasts for overthrowing him are Prince Bandar bin Sultan, the Saudi ambassador in Washington; civilians in the Pentagon; and members of Congress. Their relentless coup-mongering goes the administration to take covert action. Saddam seems to have sniffed out the recent coup before it began, crushed it, and purged the plotters. Regrettably, that does not daunt the coup-pushers, who seek \$40 million in covert funds, up from last year's \$15 million, to finance operations against Iraq.

The United Nations offers a better way. As long as it enforces the cease-fire, Saddam is not master of his house. That is why he wants sanctions lifted, impedes UN relief workers and denies inspectors the right to search the Agriculture Ministry for documents that could lead them to missiles, chemical and biological arms, and nuclear technology that some believe he still hides.

Continued U.S. plotting only strengthens Iraqi support for Saddam's defiance and weakens international support for sanctions. Why won't Washington back a program that is slowly but surely undermining him, instead of lunging for the quick and dirty fix?

—THE NEW YORK TIMES

Unspeakable Deficit

"Addressing the deficit requires fair and shared sacrifice of all Americans for the common good," the Democratic platform says, but that is about the last you hear of sacrifice. True, conventions are not occasions for mournfulness, but rather for uplift and exhortations to victory. But alas, the fact is that the No. 1 problem the Democrats will face if they win the election this fall will be the budget deficit.

The platform follows the candidate in saying that there are two deficits, one fiscal, the other social. "We must strive to close both," they agree, but it is the second that interests them the most. Let us turn the country around, and we'll work our way out of the budget deficit — that is the prospect they held out. It is the same prospect that candidates and platforms of both parties always hold out. They have other things they want to do than to be the national dispensers of pain. But this time at least, unless they first dispense the pain, they will not be able to do the rest. They will not have the money. Ronald Reagan and George Bush spent it all.

Interest on the debt threatens to become the account that ate the budget. The interest payment is mostly the bill for the Reagan-Bush years, during which the debt quadrupled and the structural mismatch between revenues and expenditures that continues to plague the government developed to its present degree. Interest is a seventh of the bud-

get, twice its share when the Reagan administration began. Forty percent of the revenue from the individual income tax is consumed in paying interest, crowding out much else.

Will the crowding out continue? The Congressional Budget Office has done a projection of the budget outlook through the year 2002. The projection assumes that there will be steady moderate economic growth throughout the period with low inflation and relatively low interest rates alike, a highly favorable if not quite contradictory fiscal setting. If all those favorable conditions prevail, interest will stay a relatively steady percentage of the budget and of the gross domestic product, the projection says. But if anything goes wrong — if the economy is either weaker or stronger than projected, if the deficits and/or interest rates turn out to be higher — the awful weed would likely start to grow again.

Political choices are relative; the question in an election is always, compared to what? Strangely enough for the party of supposed tax-and-spend, it is the Democrats who are now in the better, more responsible position on the fiscal issue. The Republicans created the present problem, and Ross Perot so far has only deplored it. But the Democrats have not laid out the hard choices, either — and likely won't this week. That is not what a convention is about.

—THE WASHINGTON POST

Other Comment

Hong Kong: A Test of Wills

The man who will manage Hong Kong's transition to Chinese rule in five years takes office at a time neither propitious nor grim. A vibrant Hong Kong is going to be the mainland's corridor to modernization. The "new China" of the coastal provinces is that vanguard. This is the in-built safety valve, the better to relieve pressure when turbulence on either side threatens to hold back cooperation.

This is why a case can be made for optimism in spite of the storm clouds. Even the hardening of positions on both sides over financing arrangements for the new airport need not degenerate into more than a contest of wills. Should it? There is no argument that this huge undertaking of 10 different projects covering an airport, a port, rail links, reclamation and ancillary works is crucial to the future expansion of not just Hong Kong but of coastal China and the economies in the Asia-Pacific region.

But what is one to make of the suggestion that China is linking the airport issue to the move for wider democratization in Hong Kong's elective process?

Ever since the pro-democracy United Democrats of Martin Lee dominated the first three elections to the Legislative Council last September, there has been a

snowballing move for liberals to be appointed to the Executive Council. Worse, from Beijing's perspective, are hints that the number of directly elected seats might be increased beyond an agreed formula.

China is not amused. Anything excessively liberal foreign that is to be grafted to its body politic after 1997 can expect to be rejected. Yet Hong Kongers who live for materialism and a capitalist ethos have reason to be demanding. How this issue is resolved to their satisfaction without violating agreements and trust, or saddling the handover with ill-will, is going to determine whether Hong Kong's confidence level — and the world's faith in the territory — stays high after China assumes control.

—The Straits Times (Singapore)

Let the UN Help South Africa

The United Nations should contemplate sending negotiators to bridge the chasm between the two sides [in South Africa] before the situation worsens beyond repair. It also should consider monitoring the deadly township violence. Such independent scrutiny should reassure the ANC, which repeatedly has accused the government of complicity in the violence.

—Los Angeles Times

Russian Arms to China: Japan Steps In

By Jim Hoagland

WASHINGTON — Alarmed by intelligence reports of rising Russian weapons exports to China, the Japanese government has launched a secret diplomatic initiative to limit Moscow's arms sales to Beijing's Communist government. Japan is quietly warning Russia that upsetting the military balance in Asia by strengthening China with high-tech conventional weaponry will damage Moscow's chances for massive economic aid from Japan and the West for reconstruction, despite the encouraging noises made at the Group of Seven summit in Munich last week.

U.S. diplomatic help is vital to Tokyo's credibility in this initiative. But George Bush's concern for Boris Yeltsin's precarious position and the White House's desire to maintain good relations with China's aging leadership have prevented any vigorous U.S. action thus far.

Information on these developments, pieced together on visits to Tokyo, Moscow and Washington, show that China's booming trade with the United States, which is protected by President Bush's tolerant policies, is a triple dose of poison for the world community.

China's \$13 billion annual trade surplus with America provides Deag & Co. with visible proof to show their captive populace that the U.S. government does not take human rights in China as seriously as it does in other countries that have been hit by American economic sanctions.

The trade surplus has two other pernicious effects. It helps fuel a dangerous arms race in Asia. And Chinese purchases of Russian arms, paid for in part with the foreign exchange earned from trade with America, provide the ex-Soviet military-industrial complex with a potential fi-

nancial cushion against having to shut down or convert to manufacturing civilian goods.

Officials in Russia, Ukraine, Belarus and other former Soviet republics make no secret of their desire to develop China as a lucrative market for their excess advanced weapons.

Mikhail Maley, a senior adviser to Mr. Yeltsin, bluntly told the Rossiiskaya Gazeta newspaper in Moscow a few months ago that the attempt to convert Russia's arms plants into consumer-goods factories had failed. "Conversion should be a transformation of the military-industrial complex into an export industry," he said.

In March, Pyotr Aven, Russia's minister of foreign economic relations, visited Beijing and proclaimed on returning home that he had signed arms contracts with the Chinese. On May 19, Mr. Yeltsin told defense plant managers Russia would try to market \$5 billion worth of arms yearly.

The most disturbing report that has reached Tokyo involves exploration by the Chinese of buying the Varyag, a modern aircraft carrier being built in Ukraine. Chinese diplomats are reported to have contacted Russian officials in Beijing to inquire about the carrier's availability.

Japanese officials cannot confirm that any serious discussions on the Varyag have taken place. But Japan and Taiwan have long feared that China harbors ambitions to build a "blue sea navy" that would enable Beijing to project its military might not only into the South China Sea but eventually into the Indian Ocean.

Russia began delivery of a squadron of 24 SU-

27 advanced fighters to Beijing earlier this year, with two more squadrons of SU-27s on order. Contracts have been signed for two squadrons of the advanced SU-31 fighter interceptor and for a number of T-72 tanks, press reports say.

Taiwan cites the Russian sales as justification for pushing ahead with plans to purchase two or more squadrons of Mirage fighters and air-to-air missiles from France.

The dangers of the escalating arms race in East Asia are frighteningly clear for Tokyo. To start their initiative, Japanese officials raised the question of arms sales to China with members of the Russian Foreign Ministry's policy planning staff in Moscow at the beginning of June.

Having reason to believe that the preparation in Tokyo for his meeting with Mr. Bush here July 1 included a briefing on the Chinese arms purchases, I asked Prime Minister Kiichi Miyazawa after that meeting whether he had brought up China with the president. Mr. Miyazawa confirmed that he had but did not provide any details.

Japan's normally cautious approach to China is becoming tougher as concerns about the arms buildup rises. Mr. Miyazawa has rejected high-level Chinese requests to clear the way for a visit to China by Emperor Akihito. And Mr. Miyazawa has insisted that "economic reforms should pave the way for political reforms" in China.

Hard cash is uniting what ideology put asunder. Arms sales make ex-rivals Moscow and Beijing comfortable bedfellows, while backing Japan and Taiwan into a dangerous corner. The Bush administration should be more concerned about what it is getting for its money.

The Washington Post

Here Comes Industrial Policy...

By Hobart Rowen

WASHINGTON — The words "industrial policy" will not appear in the 1992 Democratic Party platform to be adopted in New York this week. But, in tune with Bill Clinton's economic strategy, the platform goes a long way in accepting the argument that the federal government has a responsibility to help some key industries in the same way as Japan and Europe do.

A plank reads: "Either we develop and pursue a national plan for restoring our economy through a partnership of government, labor and business, or we slip behind the nations that are competing with us and growing."

Three specifics are mentioned to carry out this approach: a permanent R&D tax credit; doubling basic research in key technologies; and creation of a civilian research agency "to fast-forward" the development of those technologies.

Mr. Clinton's economic plan mentions biotechnology, robotics, high-speed computing and environmental technology as the kind of industries that would get the benefits.

In "Head to Head — The Coming Economic Battle Among Japan, Europe and America," Lester Thurow says that even in the Bush administration, "there is not politically correct to talk about industrial policies," there are "rumblings" of support for them.

"There can be no doubt that Mr. Thurow is right about the trend. Whether the enthusiasm for an industrial policy is the right medicine for America is another story. Mr. Thurow makes the case that it is, this way:

"The United States should announce that it will duplicate any policies put in place in the rest of the world... Any delay in permitting an American telecommunication device to be used abroad, such as the delays Motorola experienced in Japan with its cellular telephones, will be matched with delays for advanced Japanese equipment within the United States. Americans are no longer in a position to force the rest of the world to play the economic game by its rules, but Americans can play the game by their rules. If they want to play hardball, we'll play hardball."

The Harvard economist Robert Lawrence, one of the economists Mr. Thurow mentions to support his conclusion that viewpoints are changing, disagrees sharply. "I don't object to playing hardball, but I don't think we should be copying every dumb thing the foreigners do. That's a recipe for disaster," Mr. Lawrence told me.

The Brookings Institution economist Charles Schultz remains one of the most vigorous opponents of industrial policy, on the ground that the government is ill-suited to pick "winners and losers." In the book, "Memos to the President," Mr. Schultz argues that "if the overall framework of economic growth policy is favorable, American manufacturing industries are perfectly capable of achieving reasonable growth and international competitiveness."

Neither Mr. Schultz nor Mr. Lawrence would sit idly by while Japan or Germany played an unfair game. In a joint paper in 1990 they said that if Japan or any other country protects its high-tech sector with barriers against imports, the United States should impose tariffs on the sale of products developed in that way.

Mr. Schultz agreed that the United States must expend more monies for civilian R&D, especially as Pentagon budgets, which in effect paid for much broadly based R&D, shrink.

The Democratic platform appears to go beyond what Mr. Lawrence and Mr. Schultz would buy, but it stops short of Mr. Thurow's advocacy of a "21st century civilian R&D race for supremacy." It more or less matches the "limited" industrial policy suggested by Paul Krugman, an MIT economist, who would subsidize a few high-tech sectors, hoping that this would defend demands for "managed trade" in which the United States and Japan would agree on specific, reciprocal shares of each other's markets.

I do not particularly like the drift toward industrial policy, including the Democratic platform language, but I think a discouraged public is ready to accept it. Mr. Clinton feels that he must make minimalist concessions to the hard-line protectionist wing of the Gophard Democrats.

The Democratic platform should have repeated a caveat issued in March by a bipartisan business-labor-public commission chaired by Fred Bergsten. Industrial policy notwithstanding, the test of a nation's competitiveness "ultimately rests on quality performance, and cost of goods and services produced within its borders."

The Washington Post

Japanese Plutonium Raises a Nuclear Scare at Sea

By Mark J. Valencia

HONOLULU — A hot-in-my-backyard syndrome is about to take on global dimensions as Japanese authorities prepare to ship a ton of deadly plutonium from France back to Japan in the fall. It is the first of many such shipments that Japan plans to make in the next decade. Tokyo says the plutonium will be used as fuel for nuclear power plants in Japan.

The movement by sea of this highly radioactive material is of considerable environmental and health concern to countries along the shipping route. South Africa has said it would bar Japanese ships carrying plutonium from sailing within 200 miles of its coast. Emil Salim, the Indonesian minister of state for population and environment, says that in the interests of safety Indonesia has advised Japan to avoid congested straits and shipping lanes off Southeast Asia even though they might offer a quicker route, he said Japan should use ocean routes as far as possible from land.

New Australia, New Zealand, Papua New Guinea and 12 Pacific island states have asked Japan to consult them on the planned plutonium shipment through the Pacific, saying that it should be carried out "in accordance with the highest international safety and security standards."

The first cargo of plutonium is to be carried in a special ship escorted by a lightly armed Japanese coast guard vessel. U.S. satellites will provide surveillance.

One ton of plutonium is enough to make more than 100 nuclear bombs. Environmental groups and other critics of the Japanese plan say the convoy is a potential hijacking target. Staffed by a Japanese crew without military training or heavy arms, the two vessels could be susceptible to a terrorist group equipped with a speedboat and anti-ship missiles.

Because the plutonium is derived from nuclear fuel supplied to Japan by the United States, Washington must approve the shipping plan. The United States has indicated that it is satisfied with arrangements. But environmental critics worry that containers for the plutonium oxide powder are not guaranteed to withstand temperatures of more than 800 degrees centigrade, a temperature sometimes exceeded by fires at sea. Should the cargo ship sink, the

pressure of water in the depths of the ocean might crush the casks and release the plutonium. There is also concern that the Japanese shipments may open the door to worldwide commercial traffic in one of the most toxic substances on earth. South Korea and Taiwan may also want to start shipping spent nuclear fuel from power reactors for reprocessing into plutonium and return by sea.

A likely route for the plutonium convoy is around southern Africa, across the Indian Ocean, then through the Straits of Malacca and the South China and East China seas. This 17,000-mile voyage would take about seven weeks.

The Malacca straits, one of the busiest sea-lanes in the world, is claimed as territorial sea by Indonesia and Malaysia and thus falls under a regime of innocent passage. A ship that the governments of these two countries judge to be a threat to their peace, good order or security could be barred. An innocent passage regime also applies to China's territorial seas around the Parcel and Spratly islands in the South China Sea.

Beijing asserts sovereignty over the islands, although its claims are disputed by other countries.

Under the Convention of the Law of the Sea, maritime powers enjoy various navigational rights. But it will still be several years before the treaty will have enough signatures to come into effect. Some maritime powers, such as the United States, have indicated that they will not sign the treaty.

Japan's plutonium shipments may have major implications for freedom of navigation. In an environment of legal uncertainty and plutonium ailment, sovereignty claims may be extended, hampering foreign passage through critical straits and sea-lanes in Asia and elsewhere. Amid growing environmental consciousness, such jurisdictional extension may sooner or later be interpreted by governments as a responsibility to protect living marine resources and the health of people from activities that could cause serious pollution.

The writer, who specializes in law of the sea and maritime resource issues, is a research associate at the East-West Center in Hawaii. He contributed this to the International Herald Tribune.

A Nuclear Dilemma Looms for Peace-Prone Israel

By Enrico Jaccchia

ROME — The big test for current Israeli strategic thinking may come soon. It is an issue inextricably linked to the peace process and to the new government's role both in foreign policy and in military doctrine. Yet the issue was not raised in the recent election campaign, nor is it being publicly discussed now.

Possession of a formidable nuclear force is central to Israel's strategic thinking. In conversations with political and military leaders in Jerusalem and Tel Aviv, I was struck by the fact that very few seem to be prepared to renounce that force. But Israel's possession of the bomb compatible with a Middle East peace settlement?

More concretely, how can an Israeli government realistically believe that it will be able to maintain a nuclear arsenal in the Middle East unchallenged for years, when startling reports of nuclear weapons transfers from the former Soviet Union have been circulating for months? When the effective control of nuclear materials in the republics of the former Soviet Union raises many uncertainties? When the brain drain of abysmally low-paid weapons experts from the Eastern countries increases dramatically the risk of proliferation?

Israeli strategic thinking has relied on the unclear "force of Israel's" since it became evident in military leaders several years ago that the country had reached the limit of quantitative growth in its mil-

itary forces. Manpower is an insuperable constraint. Moreover, massive selling of conventional military hardware by the successor states of the former Soviet Union and by former East bloc countries has convinced Israelis of the futility of any effort to compete with the Arabs in a conventional arms race.

Having realized that, Israel also decided that an extension of the arms race to the area of nuclear weapons was incompatible with its security. So an Israeli air raid destroyed the Iraqi Osirac reactor.

Ignoring international criticism, Israel could hold to such a posture as long as the Arab states had an indisputably hostile attitude. And now? While the peace process develops, those states could give further impetus to their civilian nuclear energy programs. That, in time, would confer the capability to produce nuclear bombs. (A nuclear plant, by burning its fuel, produces electricity but also plutonium that can be reprocessed for nuclear weapons.)

In recent years, Israel has considered interfering with Arab nuclear plans through clandestine sabotage operations. That can hardly be an option any more. Even less would Israel act against a civilian nuclear reactor of an Arab country while negotiating a peace treaty with it.

A way out could be the establishment of a

Nuclear Weapons Free Zone in the Middle East — an idea that has many supporters among Israeli strategists. The Israelis, however, would accept the establishment of such a zone only if mutual inspection procedures were adopted.

They want to be sure. They stress the uselessness of IAEA inspection that let the Iraqis begin building their nuclear military potential undisturbed. They advocate serious, intrusive inspection on neighbors' territory, the kind the United States carries out in the former Soviet Union. (American inspector teams, for instance, are permanently located near a major missile factory in the Urals.)

This is precisely the difficulty. Such intrusive measures can be taken when there is a degree of reciprocal confidence — at the end of a peace process, not before.

In sum, the Israelis want peace and security. Peace may be possible and bring security, but it could be a long process. Meanwhile, if proliferation spreads to the Middle East, the Israeli nuclear arsenal will lose the absolute power of deterrence that it possesses now. Bombing a neighbor's attempts to go nuclear, it is generally admitted, is no longer an option. Thus, the capacity of guaranteeing security with a nuclear strike force fades away.

No wonder nobody dared raise the nuclear dilemma in the election campaign.

International Herald Tribune

Convention: The Old American Classic Is No More

By Arthur Schlesinger Jr.

NEW YORK — What fun they used to be. Nonstop drama, intrigue, dogeance at the podium, demonstrations roaring across the floor, banners waving, the air, smoke-filled rooms, favorite sons, dark horses, delegations polled ballot after ballot ("Alabama casts 24 votes for Oscar W. Underwood"), brass bands and pipe organs, "Happy Days Are Here Again." Presidential nominating conventions used to combine the best features of urgent debate, gripping theater and a horse race.

Little delighted the great H. L. Menckner more than this quadrennial political rite. "There is something about a national convention," he said, "that makes it as fascinating as a revival or a hanging... a show so gaudy and hilarious, so melodramatic and obscene, so unimaginably exhilarating and preposterous that one lives a gorgeous year in an hour."

Once an arena of decision, the convention in recent times has dwindled into a ceremony of ratification. Not since 1952 has a nominee required more than one ballot.

Indeed, since 1928, conventions have only twice (for each party) gone into extra ballots, although the exceptions — 1932 and 1952 for the Democrats, 1940 and 1948 for the Republicans — revived memories of more exciting days.

Television networks, initially pleased by the carnival, have long since lost patience, first demanding changes on the threat of reducing coverage — and then reducing coverage anyway, on the claim that the public could not care less. (Citizens who yearn for more extended coverage of this year's conventions must thank heaven for CNN and C-Span.)

The convention still has many of the old uses. It still brings together representatives of different regions and interests, still compares disagreements over program and policy, still hum-

mers out a platform, still unites the party for the struggles ahead. It still is the principal bulwark against historical forces that have been sapping the parties' vitality for decades.

The crisis of the party system provides an additional reason why conventions deserve to be sustained — and given a fair break on television.

Conventions are the culminating symbols of the system that has for two centuries brought a measure of stability to American politics.

The crumbling away of the parties would transfer political power to personality movements, founded not on competing organizations but on competing personalities, private fortunes and popular frustrations. Political adventurers would roam the countryside like Chinese warlords, building personal armies equipped with electronic technologies.

Without the stabilizing influence of parties, politics would grow angrier, wilder and more irresponsible. Maybe that is already happening.

Above all, the convention renews the party's tradition, redefines its direction, revalidates its very identity. The glory of the convention is to enable the party every four years to rediscover itself.

And the convention puts the party to what that great British observer of American politics, James Bryce (1838-1922), described a century ago as its crucial test: "In a country so full of change and movement as America, new questions are always coming up, and must be answered. New troubles surround a government, and a way must be found to escape from them: new diseases attack the nation, and have to be cured. The duty of a great party is... to find answers and remedies."

offices to hear the latest bulletins. When nominations were finally made, supporters went wild with delight, salvos of artillery were fired off, processions with blaring bands paraded the streets.

But the next 100 years saw a drastic transformation in the convention, much of its lifeblood drained away by the decay of the party system, by proliferation of primaries, by the dictatorship of television.

This year a principal candidate may not even bother to hold a convention. What has happened to this once glorious national ritual?

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1992: Democrats Ready

NEW YORK — The latest political gossip is that ex-Secretary Whitney is urged for Democratic National chairman. Grover Cleveland has asked him to act. Preparations are being made for a great party demonstration in connection with the formal notification to Mr. Cleveland and Adlai Stevenson. The other nominations are likely to be in the nature of a big ratification at Madison-square-garden, New York, instead of the customary private call on candidates by the committee of their notification.

1917: Off to the Front

A PORT OF FRANCE — The railroad yards presented scenes of great activity yesterday (July 11). Dozens and dozens of long trains pulled out one after another toward the front. German prisoners aided in the loading of the long trains. Most of the trains contained perspiring, bronzed Semmites and their "toilet articles," as they call their cumbersome luggage. Many of the boys were asked where they were going, but Sammy is a cautious lad, and to all inquiries he replied very vaguely in the latest American slang phrase: "California's in doubt."

1942: A Divided 14th

LONDON — [From our New York edition:] On the eve of Bastille Day the French national holiday, General de Gaulle made a radio address urging those in the unoccupied zone to mark Bastille Day tomorrow by flying the French flag (the Tricolor) and by mass singing in public of "La Marseillaise," the French national anthem. The Vichy government has announced that there must be no celebration, but there are signs that even in the occupied zone the people will mark the day "possibly with bombs and hand grenades as well as fireworks." In the words of one report received here: An office at Bourges for recruiting men to fight for Germany in Russia, was said to have been bombed today.

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OPINION

Buttons and Wildflowers: New York Keeps Coping

By William Safire

NEW YORK — My first job in journalism was folding the "guts," or weekend sections, of The New York Times into the main news section on Saturday nights behind the subway kiosk on 91st Street and Broadway.

Across the street was a political storefront for the Democratic congressman, but the cops there were wary about handing out literature and doodads to hang around your neck to kids. My buddy Marty and I preferred the upstairs headquarters of the American Labor Party candidate, Vito Marcantonio, who may have been a Communist but was great on distributing buttons, which we would take and pass out to friends who had no political or media connections.

I'm a Washingtonian and a weekend West Virginian now, but these memories rushed back in New York on the weekend before the Democratic convention. Fifteen thousand political journalists are here, poised to deride this symbol of hurried urbanity, and the city is straining to disabuse them of their prejudices.

The Gorgeous Crush

NEW YORK INSPIRES in me the romantic populism found in William Saroyan stories. You descend into the subway, a great institution that, like the Democratic Party, is often grieved over but still runs and is packed with people. The ads aren't for BMWs or ski resorts, they're for hemorrhoids and sore feet, bunions, bad skin, drug problems. It is crowded, but don't be afraid. You're safer on the subway than in any country club in America, especially when it comes to the danger of corruption.

There is a centrifugal force that wants to hurl us out into the countryside, into the Republican dream of a hobby farm with a giant satellite dish and a nice wife named Triddle. Don't go. Enjoy New York. Here you get the vision of humanity that inspired Whitman and Dickens. Republicans imagine us as a nation of Smiths, but we're all of humanity, a gorgeous crush. There's no other city where you can see so much of America at once.

We all take up that invitation as we get older, and expect a visit to the scenes of youth to be like biting down on a heartache; the demolition ball of progress or the stultification of a cherished scene makes our nostalgia neutral.

But the Upper West Side surprised me. Gone were the restaurants of yesteryear — Tip Top Inn, Surr's, the Lobster Pond — but the squeezed Pentecostal church on 92d Street was still open, the corner drugstore was in business under the name of "vitamin center," Joan of Arc Junior High was graffiti-free, and the residential Hotel Windemere, where we lived, still dominated the local skyline.

I sat on the stoop of what had been the Hotel Ridgefield, a genteel if broken-down brotzel whose friendly ladies would happily receive and wear our gifts of political buttons; it is now a respectable, rehabilitated apartment house with a "visitors must be announced" sign.

Down to Riverside Park, where a stunning sight awaited: wildflowers. Not just poking up among the weeds, as in West Virginia's mountains, but organized New York wildflowers — growing on what had been a patch of hard dirt that drew not an interested sniff from my Scottie, when I walked him there generations ago.

A half-dozen people in overalls were weeding the flower beds. These were not park employees in green uniforms, but "The Garden People": community volunteers determined to inflict beauty on what had been a field of mugwort weed.

"Those pink flowers are mallows," said Rosemary Gant, ripping out a mugwort. "The gooseneck, Queen Anne's lace, and day lilies are all around. The Parks Department built the fence protecting the flowers after they found we were serious."

Climbing up the steps to the Soldiers' and Sailors' Monument, I heard the stentorian sounds of actors rehearsing Shakespeare. "A Comedy of Errors" was being performed on pre-convention weekend. "Tell the delegates to come," said director Lisa Juliano. "It's culture and it's free." She handed me a program.

Fear, outrage and anomie-tosism may stalk these middle-class hills at night, but the old neighborhood seems to me a nicer place now than it used to be. Yesteryear's curb-ball champ, Bernie Wohl, stayed here to become one of the great social workers who give a neighborhood a sense of community that conventionalists too seldom see.



LETTERS TO THE EDITOR

American Malaise: The Cure Will Take Creative Action

In response to the report "Bush's Ramblings, Some Associates Say, Hide a Growing Anxiety" (July 2):

If George Bush would open his eyes, he might recognize the source of his political problems in his own words: "I think we are just exactly where the heartbeat of America is. But you couldn't tell it because of all the noise and the fury out there of Politics '92."

What the president misses is that the noise and fury out there are the American people venting their frustration and anger at falling job security and earning power, soaring health costs and crime, and Mr. Bush's unwillingness or inability to provide real solutions to these problems. Pious rhetoric won't change a thing.

OTTO MAYR, Berlin.

The problems created by Mr. Bush's miscalculation on the economy and lack of control over the recession go far beyond falling salaries and bleak job markets ("As the Economy Sours, So Did Voters on Bush," June 30). So-called "recession-proof" jobs, such as tutoring and full professional positions in higher education, are disappearing.

In June, the University of San Diego, a campus of 30,000 students where I taught and conducted research full-time for the past 18 years, eliminated nine academic departments and issued layoff notices to 200 professors because of "lack of funds." It has forced many, like myself, to export our skills overseas — one more sign of the U.S. economy in trouble.

active in helping American industries and higher education. Both are losing out to competition abroad.

DAVID SLEET, Helsinki.

If George Bush dares to call himself the "environmental president" after his shortsighted and destructive behavior in Rio, I wonder how he defines "environment." What environment did he mean when he pushed for the conservation of forests at Rio, while endorsing the economic exploitation and destruction of America's own Pacific Northwest trees?

The U.S. government's approach to environmental protection resembles that of the Reagan administration, whose leader claimed that "if you've seen one tree, you've seen them all." If this betrayal of the environment reflects how Mr. Bush keeps his promises, thank goodness it's an election year.

JENNIFER L. McDERMOTT, Geneva.

Paul Hollander hit the nail on the head in "The State of Anti-Americanism: Opposing Trends" (Opinion, July 4) when he posed the fundamental question about how long Americans can go on putting up with a society that offers fewer and fewer certainties. Has America not learned from experience that all that is creative is ultimately a moral affirmation, the faith that dares in the absence of certainty, the courage to go forward in the face of adversity?

DAN CHELLUMEN, Amboise, France.

The report "Quayle, Set to Attack, Ends Up on Defense" (July 4) quotes the vice president as saying, "You don't just get economic growth by saying you're for it — you have to do something."

He's right. I wonder if his opinion can be applied to the Bush administration. It seems that after four years in office as president and eight years as vice president, George Bush did not do enough regarding the three Es: economy, education and the environment.

Mr. Bush, don't insult the American public with promises of what you will do in the last six months of your term. You have had ample time "to do something."

ELIZABETH NICOLosi, Florence.

How hypocritical of the U.S. government to want to run the world while at the same time allowing its own people to suffer from hunger, poverty and lack of basic medical, dental and housing needs.

The "trickle-down" theory of the current administration in Washington was simple: Don't tax the rich and they will let their money trickle down to help the middle class and the poor. This notion — 11 years in practice — has left people across the country unemployed, and many homeless. This is perhaps evidence that if an administration is "of the rich, for the rich and by the rich," an erosion of the middle class and an increase in the number of the poor will follow.

We need a president who can listen and serve all the people of the country. Bill Clinton is this kind of leader.

RICHARD LEE BARTON, Helmond, Netherlands.

Bastille Day Was Savage, So What's to Celebrate?

By Daniel Oliver

WASHINGTON — A controversy has arisen over the French national anthem — "La Marseillaise." The revisionists want to remove phrases they claim are bloody, bellicose and xenophobic. "March on, march on, and drench our fields with their tainted blood" is not thought to be appropriate in today's more peaceful, global living.

Americans are no strangers to the revisionists' impulses. Some would like to adopt a new national anthem, partly on the grounds that "The Star Spangled Banner" is difficult to sing.

When the Episcopalians in America republished their hymnal, there was talk of omitting "Onward Christian Soldiers" because its militarist tone was not suitably Christian. The Presbyterians removed "Faith of Our Fathers" from their hymnal because it was considered sexist, and "Stand Up, Stand Up for Jesus" because it was said to be offensive to the handicapped. The traditionalists rightly objected in all cases.

But in France the traditionalists are wrong. The French should rewrite their national anthem, not because the words may seem inappropriate to today's world but precisely because they are appropriate to French history — which is as drenched in blood as history gets. Written on April 24, 1792, the Marseillaise appeared three years after the French Revolution, the beginning of modern French history. That so-called revolution was the precursor of modern totalitarianism — and that is nothing to sing about. Loveless of freedom should urge the French to change their national anthem and their national holiday.

Some would have us believe that the French Revolution is about something lofty and serious, like the Declaration of the Rights of Man. But the celebrated revolutionary event was the storming of the nearly empty Bastille on July 14, 1789, and a number of brutal murders, by an unruly Paris mob. The American event of July 4, 1776, by contrast, was the signing of the Declaration of Independence, the prelude to the successful military struggle of the colonies to free themselves from British rule — not from British traditions.

The term "revolution" was borrowed from astronomy, and referred to the movements of the planets around the sun: slow and gradual, if inexorable. In that sense, of course — the American sense — the French Revolution wasn't a revolution at all, not a gradual turn of events in the affairs of men. It was a violent upheaval, a murderous, tyrannical, chaotic, evil period in French history — hardly a time, hardly circumstances, to be celebrated.

The French Revolution did not just lead to violence. It led from violence. Men, women, children slaughtered, butchered, dismembered by the thousands. Tens of thousands. Hundreds of thousands. Quite beyond comprehension, we would say. And yet, of course, we have seen it, in our own time.

We have seen it. We remember it. But we do not celebrate it, or sing its songs. Not all Frenchmen are celebrating their country's birth on Bastille Day. They may attend the festivities, see, friends, share food and drink, but they do not "believe." For they are not stupid; nor are they callous. And they know their history better than Americans do. Unless they are Marxists, they are not willing to ignore the bodies and the blood that are the French Revolution.

What a tragedy not to have a birthday to celebrate. Birthdays are central events in our lives: our own birthdays, sure, but also our parents' birthdays, and our brothers' and sisters', our grandparents'. And of course, our country's birthday — in America's case, the Fourth of July.

Suppose America's founders had bequeathed a national birthday commemorating the historical equivalent of the My Lai massacre, or the Charles/Manson murders. To be sure, the opprobrium of those events does not begin to approach the scale of the horror of the French Revolution. But suppose something like that was the event of America's national founding. What would Americans do?

We would find something else to celebrate. And that is what the French should do, find an event or a person they can justly celebrate: someone, something that stands for the best of France, the glory of France.

The glory of France is not the Bastille. A nation that has been central to the development of Western civilization — its art, its music, its culture, its history — can find something else to celebrate.

When was Joan of Arc born? When was Charlemagne crowned? When was the cornerstone at Mont St. Michel laid? When was the cathedral at Chartres completed? When was the Resistance organized? The French have a history; that marches from Caesar to de Gaulle — a history full of glory, full of times other than their Revolution to remember and sing about.

Perhaps they could even sing about the night they invented champagne.

The writer, chairman of the U.S. Federal Trade Commission from 1986 to 1989, contributed this comment to the International Herald Tribune.

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Rocard: 'Life' of The Party

French Socialist Looks Presidential

PARIS — Michel Rocard, the former prime minister, appears to have bolstered his stature as the ruling Socialist Party's presidential front-runner with a strong performance at the party's weekend congress in Bordeaux.

Commentators said that Mr. Rocard, 61, a moderate whose popularity reaches well to the right of the Socialists, stood out at the congress largely because he appeared to be the party's last hope.

Paris newspapers described him variously as a "life raft" or a "lifeboat" for President François Mitterrand's party, which sank to 18.3 percent of the vote in regional elections in March.

"Rocard fills the vacuum," said the conservative *Le Figaro*.

A former prime minister and party leader, Pierre Mauroy, said that Mr. Rocard had advanced from the status of "virtual candidate" — grudgingly granted in January in a deal that gave control of the party to a Mitterrand protégé, Laurent Fabius — to the stature of "natural candidate."

Mr. Rocard roused a dull party congress in Bordeaux to a standing ovation on Saturday by declaring that young voters would desert the party unless it found them jobs.

Unemployment, edging toward 3 million, or 10 percent of the labor force, is the Socialists' biggest handicap in the campaign for parliamentary elections next March.

This could be a bigger handicap even than corruption inquiries against Socialist legislators, mayors, party officials and now — according to *Le Monde* — against Henri Emmanuelli, the speaker of the National Assembly.

Mr. Rocard is a low-key reformer who was popular as prime minister from 1988 to 1991. He indicated that he expected a conservative victory next year and was counting on a public backlash two years later to sweep him into the presidency.

"What can be done between now and the legislative elections will inevitably be limited and open to contest," he said at the party congress. "The question of a realignment will be settled at the next presidential election."

Opinion polls suggest the Socialists will be lucky to score more than 25 percent in 1993.



DEMOCRACY CALL IN PRETORIA — A policeman talking Monday with a marcher, who carried a mock rifle, as 10,000 supporters of the African National Congress rallied to demand the resignation of President Frederik de Klerk. A petition was presented for an all-race government.

BRIDGE: Centuries-Old Escape Stands Amid Rubble in a Bosnian City

(Continued from page 1)

destroyed old town. All but the very youngest looked fearful.

"Where are you going? Why are you running?" a young soldier asked a group of women leading 12 children and a lamb.

"The enemy are coming back," replied one of the women, holding a sleeping infant and trailing a shopping cart behind her.

"Nonsense," said an officer manning a checkpoint at the western end of the bridge. "The enemy are far away. Your villages are safe."

"We are afraid," the woman said.

Just then, an explosion could be heard, unmistakably the sound of a mortar. The soldiers abandoned their attempts to keep the villagers from fleeing. Most of the refugees made their way across the mountains to Croatia, where close to half a million people from Bosnia have been given sanctuary and shelter.

The troops let the women, children and old people pass. Young and middle-aged men were permitted to escort their families across only if they left their identification cards.

When an officer explained that all able-bodied men were needed to help secure the high ground beyond the city, one man holding two

daughters put down his papers saying he would be back for them in a few hours, eager to fight.

Another, somewhat older and a bit disheveled, said he had lost his papers. He begged to be allowed to cross to look for his wife. The soldiers kept saying no and the man kept looking away at the rushing green waters of the river, 30 meters (100 feet) or more below.

Even with the city shattered, the river view is restful. The bridge, which legend says took 15 years to build, is whole and standing, although its towers are pockmarked and a stone wall at the top has had a chunk gouged out.

This is the time of year when young men die off it to show off, but on Saturday they all wore combat fatigues and carried automatic weapons.

At a quiet arbor that looked out upon the bridge and the remains of the old town, Emina Maric, a farm woman with sad eyes, was among those drinking coffee as workers tried to hook up phone lines. Yes, she said, she would be glad to talk of what had happened to her in the last three months.

"In April, I was in our village over there," she said, speaking in Croatian and pointing toward a mountain. "My two sons were fighting for

Bosnia. The enemy came and arrested my husband. I have not seen him. I do not know where he is. I came here, and then I went to be a refugee in Split. Last week, I heard that we could come back and so I came back.

"I went to see what had happened to my house. Nothing was there. Everything was stolen and burned. Now I am going back to be a refugee in Split. All I can do is hope for my husband, hope for my sons."

The prewar composition of Mostar was 35 percent Muslim, 34 percent Croatian and 19 percent Serbian. Some 12 percent designated themselves Yugoslav, a relatively large number that reflected the city's cosmopolitan sense.

Every religious structure has been badly damaged. The big Roman Catholic church and the bishop's residence were demolished in early attacks.

The Serbian Orthodox church at the far east of town was smashed badly by Croatian forces. One of the Croats with the troops said orders had been given to leave the Orthodox church alone in order to score a propaganda victory.

"It was untouched until almost the very end, and then I guess some of our guys could not control themselves," a Croatian soldier said.

RATES: Financial Markets Wary of Rate Increase by the Bundesbank

(Continued from page 1)

the German Finance Ministry, said the EC ministers had expressed their concern during closed-door talks on the economic health of the 12-nation bloc.

But a spokesman for the German minister said Mr. Kohler added that the ministers accepted that Germany had its own economic problems to deal with and that any rate decision would be made by the independent Bundesbank alone.

"The government is not wishing for, or asking for, stricter measures," the spokesman quoted Mr. Kohler as saying.

In London, Prime Minister John Major, under renewed pressure to seek a devaluation of the pound within the EMS, effectively ruled out such a move, saying Monday

that it would yield only "very short-term" gains. Critics say EMS membership has prolonged the British recession, which is entering its third year.

The Bundesbank also came under pressure in Germany when Friedel Neuber, chief of the German Association of Public Banks and president of Westdeutsche Landesbank, said Monday in Bonn that the central bank should clearly outline its monetary policy to avoid fueling speculation in the markets.

Mr. Neuber also said at a news conference that he was counting on a statement in which the Bundesbank's policy-making council "explains that it sees no further need to act in a period of high interest rates."

Monetarist hard-liners in German news organizations have been

calling for further monetary tightening ever since the May M-3 data made it all but certain that the Bundesbank's 1992 M-3 growth target was beyond reach.

Speculation took a new turn Thursday, when the influential Frankfurt *Allgemeine Zeitung* newspaper said the Bundesbank was considering putting a lid on the amount banks could borrow at the 9.75 percent Lombard emergency funding rate for borrowing by commercial banks.

The Bundesbank called the report unfounded speculation but did little to quash speculation on other forms of tightening.

"They're so concerned about their credibility, but they can't afford to make a mistake," said Allison Cottrell, economist at Midland Montague Research. "If they make

a rate move and M-3 is still high, they will lose credibility."

Analysts said a further increase in the Lombard rate, which usually forms the ceiling for short-term German money market interest rates, was the least likely option for the Bundesbank.

That would immediately drive up the value of the mark, create potential chaos within the EMS and do little to address the Bundesbank's central problem of excessive monetary growth.

Ever since the Bundesbank raised both the discount and Lombard rates by half a percentage point last December, investments have been flooding in exactly those short-term deposits that help make up M-3.

(Reuters, Bloomberg, UPI, AP)

RABIN: Israeli Offers to Visit Arabs, and He Invites Them to Jerusalem

(Continued from page 1)

about Jewish settlements in the occupied West Bank and Gaza Strip.

He has promised in scale back the settlements while shifting government money from the territories to economic and social needs.

His government, he said, would "refrain from any steps and activities that would disrupt" the peace talks, a reference generally understood to mean settlement building.

But as in the election campaign, he pledged to "enhance and strengthen Jewish settlement" in and around Jerusalem and along "the lines of confrontation," which he has defined as the Jordan Valley and the Golan Heights.

It was not clear if the distinctions he draws between "political" and "security" settlements will be accepted by the Bush administration, which has insisted on a complete freeze.

Although he emphasized peace, Mr. Rabin, a

former general and defense minister, warned that his government would "strike hard, without flinching, at terrorists and those who abet them."

He also cautioned, without specifics, that Israel was committed to "thwarting any possibility" that its Arab neighbors might acquire nuclear weapons.

Turning to the economy, Mr. Rabin said he would reduce Israel's 11.6 percent unemployment rate, create jobs for ovc immigrants, sell government-owned companies and improve a troubled public-school system.

But exactly how Labor's economic programs would differ from Likud's — if at all, given both parties' past reliance on state control — was left to be filled in later.

The events on Monday capped a dramatic political comeback for the 70-year-old Mr. Rabin, the only native-born prime minister in the

country's history. He had held the position for three years, from 1974 to 1977, only to be forced to give it up amid a personal scandal and an overall Labor collapse.

Now, in the face of many political forecasts that Israel's political drift is inexorably rightward, he and his party are back on top, if not quite as firmly as they would prefer.

Their coalition controls 62 seats in the 120-member Knesset, including 18 held by the leftist Meretz bloc and the Shas religious party, which resisted strong pressures from rabbinical authorities to quit the alliance because, in the rabbi's opinion, it is hostilely secular.

Baker Applauds Rabin's Offer

Secretary of State James A. Baker 3d hailed Prime Minister Rabin's offer on Monday to go to Arab capitals in search of a breakthrough in the Middle East peace process, Reuters reported from Washington.

CRIMEA: Newly Rich Live It Up Beside the Black Sea

(Continued from page 1)

States. Many buy tourist packages or vouchers from their employers, but individual reservations are also taken.

While a foreigner must pay \$60 a night for a single room, a Commonwealth citizen pays 1,800 rubles, not including meals.

"But this is already the new elite," Mr. Podkopayev said.

"Speaking frankly, an ordinary

person cannot afford to come here, and prices for our people are on the rise.

Other hotel employees speak wistfully of the time when mostly foreigners came.

"These new mafia behave very badly," one employee said, nodding toward a large man with a mustache whose arm enveloped a young woman in sunglasses whose skirt did not quite stretch far enough.

But Mr. Podkopayev knows a market when he sees one.

"Young people, businessmen and those working in foreign joint ventures want some fun," he said.

He admits that the market is sometimes confusing.

"That day, the hotel had run out of Georgian champagne at 300 rubles a bottle.

"The people here drink it like water," Mr. Podkopayev said. "So we're bringing in truckloads."

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I am a "Believer"

As a child I played with other children — 2 kinds — boys and girls. They would grow up to be mummies and daddies like my parents. When I reached school age I discovered that there were 3 kinds of boys and 3 kinds of girls — protestant, catholic and jewish. They would grow up to be either protestant, catholic or jewish parents.

I would have wanted to be what most kids were. But my parents explained that when asked about my religion I should answer: "I am jewish."

This did not bother me too much until I was separated from most of my friends when they attended Sunday school. And on Xmas I found myself wondering why Santa Claus was for all children and Jesus Christ only for them. If Jesus was such a wonderful man why was I not free to join my friends in their admiration for him?

I could hardly wait to grow up. Then I would make up my own mind as to what I would want to be — a policeman, a fireman, a doctor. It would be up to me to marry the girl of my choice, and it seemed clear to me that everything concerning my adult life would ultimately be decided by me.

Only many years later did it dawn on me that this is not so. Already at the time of your birth, others make a decision for you which will retain unalterable validity throughout your lifetime. Before you can see, before your brain develops, others assign a religion to you as if this were their unquestionable right or duty. With this religion you will be identified forever. No matter whether you practice this religion, no matter whether you abandon it (which will be held against you). No matter whether you would rather be guided by philosophers than by ministers, priests or rabbis. No matter whether you think that separating human beings is detrimental to mankind, and that it cannot be God's will to have different religious groups — each claiming to be Number One with God — pray to HIM or HER.

When asked about our religion we are still supposed to either name one of the well-known religions or admit, somewhat embarrassed, that we are not religious.

What about those of us who believe in God but not in man-dividing religious organizations? Those of us who see religious education as an initial stage in our lives from which we must graduate to a higher level — a conscious, direct affinity with God that governs our thoughts, activities and decisions every minute of our existence. Those of us who have no sincere desire to repeat the text of printed prayers just as we feel no need to look at our school books anymore.

Let us give our questioners a very simple, uniform answer and tell them proudly: I am a "Believer"! And until this answer is widely understood let us explain:

- A "Believer" believes in God but prays to God alone in his own way or with his fellow-human beings in a House of God where no particular brand of religion is promoted.
- A "Believer" feels inner resentment when members of the religious profession treat him or her as a child or an inferior.
- A "Believer" feels repelled by anybody's attempt to pose as God's authorized representative.
- A "Believer" will bow to no mortal — only to God's voice in his or her God-given conscience.

"Believers" will exchange their thoughts about religion anytime, anywhere whenever the occasion arises — simply as human beings, not as members of any organization.

Only "Believers" can free themselves from indoctrination and embark on the overdue task of dealing realistically with tradition, eliminating the outdated and retaining the good.

Only "Believers" will find the strength in themselves to finally challenge the false claim that we were born protestants, catholics, jews, hindus, moslems, buddhists or what have you. No one was ever born with a religion. God created only one human specimen — the human being and that is what we are when we are born.

Above all we must ask ourselves this question: Do we behave — in word and action — as decent human beings?

The greatest deterrent to decent behavior is prejudice. "Believers" must speak up courageously against any form of prejudice to rid the world of our religious, racial and color problems.

glenn frank
glenn frank

"Since 'I am a 'Believer', my husband's essay, appeared in the International Herald Tribune a year ago, violence, brutality, bloodshed and fanaticism have increased. I am pleading from the bottom of my heart with everyone reading 'I am a 'Believer'":

Stop fanaticism!
Cast prejudice out of your heart and mind!
But, most of all — consider compassion!"

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INTERNATIONAL STOCKS

Some Investors Now Bet Worst Is Over in Japan

By Jonathan Fuerbringer
New York Times Service

JOHAN KOENEMAN is back in Japan, a signal that there are some prominent investors who think the worst is over in the world's second-largest stock market. Mr. Koeman, managing director of Koeman Capital Management in Singapore, says his computer-driven analysis has given him a green light on Japan for the first time in more than two and a half years.

"So far, the methodology has worked very well for us," he said in an interview while in the United States last week, looking for new clients beyond his Australian-dominated core. "The Japanese market may not reach bottom for three to six months. But we cannot find a compelling reason not to adhere to our discipline."

It may not sound like a ringing endorsement of this market whose main index, the Nikkei 225, has fallen nearly 60 percent since its all-time high at the end of 1989. (The Nikkei rebounded Monday, regaining 418.01 points or 2.5 percent to finish at 17,201.73, its first close above 17,000 in a month. But volume was extraordinarily light at 180 million shares.)

Mr. Koeman, whose firm manages a total of about \$400 million, has raised the portion of his global portfolios to Japanese stocks from 5 percent in April to 23 percent now.

What changed Mr. Koeman's view on Japan is his analysis of expected returns from stock markets around the world. This gauge measures growth above a base that equalizes for the different investing risks among markets. It includes price/earnings ratios, the level of the yen, interest rates and other factors he said have been crucial in driving stock markets' past performance.

The expected return for Japan has been negative for years. But all of a sudden it is back in positive territory and has swept past the United States, where the gauge is declining. In fact, Mr. Koeman is getting the money to put into Japan by selling some of his stock in the United States.

RIGHT NOW the expected-return gauge for the Japanese market is 1.27 percent for the next month, compared with 0.77 percent for the United States. That makes it far better than Germany, which is at 0.19 percent, but not nearly as good as Hong Kong, the go-go market of the year, at 3.77 percent.

But it was enough to nudge him back into the Japanese market. Among the stocks he has bought are Chubu Electric Power, Ito Ham Foods and Hokkaido Electric Power. He also likes Suzuki Motor Corp., which he sees as a bet that the export market for four-wheel-drive vehicles to the developing world will be strong. The sectors he likes are utilities; some exporters, despite the strength of the yen, and consumer stocks, like food companies.

In June, his Tokyo investments fell 5 percent, while the market as a whole, as measured by the Topix index of more than 1,200 stocks, was down 10 percent.

Mr. Koeman's decision to reinvest aggressively is not swayed by the shaky outlook for corporate earnings in Japan.

"Typically, a market will head up before you see an upturn in earnings," Mr. Koeman rejoins. But while his investment direction has changed, others are not budging.

Barton Biggs, the global investment strategist for Morgan Stanley & Co., has been bearish on Japan for some time. He now believes that the Nikkei index could fall as far as 12,000.

Mr. Biggs acknowledges that the market as a whole "is around fair value," when using 1992 earnings, cash flow and the current level of interest rates. "These indicators," he said, are for normal times. But things are not normal in Tokyo right now. The market is in the decline that follows the ending of a major speculative boom. And by Mr. Biggs' calculation, this process should bring the market down by 70 percent to 95 percent from its all-time high.

At the same time, Mr. Biggs said his Morgan Stanley colleagues in London, who specialize in finding stocks at good values, are buying in Japan again. They are picking among the export stocks, like Matsushita Electric Industrial Co.

CURRENCY RATES

Cross Rates	July 13
Australian dollar	1.02
British pound	1.62
Canadian dollar	0.71
Deutsche mark	1.48
French franc	166.50
Italian lira	200.48
Japanese yen	163.60
New Zealand dollar	0.71
Swiss franc	1.48
Taiwan dollar	24.60
Thai baht	50.48
U.S. dollar	1.00
Yen	163.60

INTEREST RATES

Forward Rates	July 13
3-month	7.125
6-month	7.125
9-month	7.125
12-month	7.125

Key Money Rates

July 13	
3-month	7.125
6-month	7.125
9-month	7.125
12-month	7.125

Twisting Of Arms By WPP

Debt Deal Urged On Shareholders

Compiled by Our Staff From Dispatches

LONDON — WPP Group PLC told its shareholders on Monday they had little choice but to accept a debt restructuring that was likely to vastly reduce their stake in the advertising company, and it picked Gordon Stevens, chairman of Scholl PLC, to replace David Ogilvy as its chief executive.

The invitation to Mr. Stevens, a former director of Unilever Group, followed reported pressure by banks for a new chairman. The nonexecutive position has been held by Mr. Ogilvy, 81, since WPP acquired his company, Ogilvy & Mather Worldwide, for \$862 million in 1991.

Day-to-day operations remain under Martin Sorrell, the WPP chief executive, who built the company through a string of acquisitions in the 1980s that gave the erstwhile Wire & Plastic Products Ltd. control of such advertising giants as J. Walter Thompson and Ogilvy & Mather, plus public relations units like Hill & Knowlton.

Mr. Sorrell's acquisitions also gave the company a heavy debt burden, now about \$475 million (\$91.8 million), and the company said it must turn to its bankers for relief.

Under the proposed restructuring, the outline of which was announced July 1, banks are likely to end up with between 47 and 52 percent of the company in return for canceling \$271.6 million of debt. They would get 239.54 million WPP convertible preferred shares with voting rights and a minimum 2 percent dividend yield.

But WPP sweetened some of the terms of the deal for equity investors, especially for holders of current convertible preference shares, and the bankers have agreed to restrict their voting stake to 25.1 percent.

The holders of convertible preference shares now control 78 percent of WPP, and they revolved over the original plan. Now, these investors will be able to convert their shares at a ratio of 3.1 times their original entitlement, up from the 4 times previously proposed.

"This means holders can get 750 common shares for each 4,000 preference shares," said WPP.

After charging that Japanese companies sold chips in the U.S. market at illegally low prices to 1988, Advanced Micro Devices will now be making those same chips with a Japanese company.

Although he still calls for the 20-cent goal to be met, Mr. Sanders, one of most outspoken American companies to maintain a hard line against their own partners.

Rate Margins Bolster Profit at U.S. Banks

Compiled by Our Staff From Dispatches

NEW YORK — J.P. Morgan & Co., Chase Manhattan Corp. and First Chicago Corp. on Monday reported higher second-quarter earnings, aided by big interest-rate margins and profitable dealings in foreign exchange and Treasury bonds.

J.P. Morgan said its net income rose 67 percent, while Chase Manhattan reported a 15 percent rise and First Chicago said profit rose 19 percent in the quarter.

"The results were another sign that banks, after purging thousands of jobs and writing off billions of bad debts during the past three years, are returning to profitability," said Thomas Hanley, banking analyst at First Boston Corp.

Profits rose mainly because the difference between the interest the banks charged on loans and the interest they paid to raise money increased, as the Federal Reserve drove money market rates ever lower. "These were probably the best margins I've seen, and I've been doing this for more than 20 years," Mr. Hanley said.

Analysts generally had expected bank earnings to improve as falling interest rates and a stabilizing real estate market offered a better outlook for the industry.

The banks' share prices did not reflect the higher earnings, however.

Richard Levine, senior banking analyst at Standard & Poor's Corp., said the banks' weak performance was based on expectations of even higher earnings. "The numbers are good, but I think people were hoping for more," he said.

J.P. Morgan's profits were especially strong because, unlike the other two banks, it has very few real estate loans.

Net interest revenue totaled \$434 million, up 23 percent, as the bank took advantage of lower short-term interest rates for U.S. dollars.

The New York-based bank said trading revenue rose 22 percent, to \$287 million, led by increases in the trading of swaps and other interest-rate contracts, and foreign exchange.

Chase Manhattan, the sixth-largest U.S. banking company and parent of Chase Manhattan Bank, reported net income of \$152 million, or 83 cents a share, for the quarter, up from \$132 million, or 80 cents a share, a year earlier. Chase attributed its improved results to a 5 percent gain in net interest revenue, to \$878 million.

The New York-based bank said its provision for loan losses rose 11 percent, to \$295 million for the quarter. Chase pegged the higher provision to a weak economic outlook and the depressed commercial real estate market.

Chase said its overall outstanding delinquent loans totaled \$4.5 billion for the second quarter, down slightly from \$4.6 billion the year before.

First Chicago, the 10th-biggest U.S. bank, reported net income of \$68.2 million, or 73 cents a share, for the quarter, up from \$57.3 million, or 73 cents a share, a year earlier. Net interest income gained 9 percent, to \$309.9 million, but that was offset partially by a 17 percent increase in its loan-loss provisions, to \$105.0 million.

Chairman Richard L. Thomas said the commercial real estate market had not yet stabilized and that the bank was examining ways to dispose more quickly of troubled office buildings and other properties. (AP, UPI, Bloomberg)

Fujitsu, AMD Join to Make 'Flash' Chip

By Andrew Pollack
New York Times Service

TOKYO — In the latest of a rash of international alliances transforming the semiconductor industry, Advanced Micro Devices Inc. and Japan's Fujitsu Ltd. announced Monday a \$700 million joint venture to develop, build and market a new type of memory chip that is one of the fastest growing products in the industry.

The agreement came the same day as International Business Machines Corp., Toshiba Corp. and Siemens AG confirmed a three-way collaboration to develop a different type of memory chip.

Both alliances, as well as several other recent ones, are the result of the mushrooming costs of developing and producing advanced computer chips. An advanced factory can cost more than half a billion dollars.

"Now all global competitors — be it IBM, Siemens, Toshiba, AMD or Fujitsu — recognize that it's better to take on a partner and earn a return," said W.J. Sanders 3d, chairman and chief executive of Advanced Micro.

The web of alliances could also help ease trade tensions. American and other non-Japanese semiconductor companies are far from achieving the 20 percent share of Japan's semiconductor market as called for in a trade agreement between the United States and Japan.

On a more subtle basis, it becomes tougher for American companies to maintain a hard line against their own partners.

After charging that Japanese companies sold chips in the U.S. market at illegally low prices to 1988, Advanced Micro Devices will now be making those same chips with a Japanese company.

Although he still calls for the 20-cent goal to be met, Mr. Sanders, one of most outspoken American companies to maintain a hard line against their own partners.

Other terms and conditions of the project were not disclosed.

The announcement of the cooperative development project will have "no effect in the short term" on the market or on the share prices of the three companies, said Boris Petersik, technology sector analyst at Barclays de Zoete Wedd (Japan), since production is not expected to start until the end of the decade.

Karlheinz Kaske, president of Siemens, said the agreement "contributes to future applications in telecommunications and industrial fields far beyond the turn of the century and assures our customers of our engagement in microelectronics."

This creative triangle will create a "super memory" chip that will accelerate new business areas," said Tsuyoshi Kawashiri, senior executive vice president of Toshiba Corp. "We are delighted to play a part in this agreement which implements

IBM and Partners Clinch Deal

Compiled by Our Staff From Dispatches

NEW YORK — International Business Machines Corp. confirmed on Monday an alliance with Siemens AG and Toshiba Corp. to develop the next generation of computer memory chips.

The companies said they will cooperate in the development of 256-megabit chips that will have 16 times more capacity than the chips used in most computers today.

Development teams from the three companies will begin work at IBM's Advanced Semiconductor Technology Center north of New York City. Siemens and Toshiba will also conduct work at their own facilities, the companies said.

"The development team will focus on the process technology for fabricating narrower than a mere quarter-micro wide — 400 times narrower than a human hair," the companies said in a statement.

The project will involve more than 200 researchers from the three companies.

China Boosts Stake in Cathay Deal Opens Doors for Hong Kong Carrier

By Laurence Zuckerman
International Herald Tribune

HONG KONG — Two Chinese state-owned companies agreed Monday to purchase a 10 percent stake in Cathay Pacific Airways Ltd. from HSBC Holdings Ltd. in a move analysts said would help ensure the future of Hong Kong's flag carrier after the colony reverts to mainland rule in mid-1997.

China National Aviation Corp. and China Travel Service (Holdings) Hong Kong Ltd. said they would each buy 5 percent of Cathay Pacific for a total of 3.9 billion Hong Kong dollars (\$438.3 million), or 11.80 dollars a share.

Once the deal is completed, the two companies, along with China International Trust & Investment Co. or CITIC, which bought a 12.5 percent stake in Cathay in 1987, will own 22.5 percent of the airline.

"It's clearly favorable from Cathay's perspective," said Sheldon Kasowitz, an analyst with Jardine Fleming Broking Ltd. "Having strong backing from the government who will be overseeing your future bilateral treaty negotiations is significant."

David Bell, the airline's chief spokesman, said the deal may give Cathay Pacific an opportunity to participate in the development of tourism in China.

The sale ends the 21-year investment in Cathay Pacific by HSBC, parent of Hongkong & Shanghai Banking Corp. It delivers a 3.16 billion dollar capital gain, which analysts say will help offset the costs of the bank's recent \$3.9 billion (\$7.4 billion) takeover of Midland Bank PLC.

The sale price is only a slight discount to Cathay Pacific's Friday close of 11.90 dollars. On Monday, the company's shares closed at 12.60 dollars, up 70 cents, while HSBC shares hit a high for the year of 52 dollars, up 3 dollars.

Analysts said the elimination of HSBC's remaining holding in the airline may help firm up Cathay Pacific's share price by removing the expectation to the market that HSBC will sell off a large block of shares at a substantial discount. Last year, HSBC sold 6.58 percent of the airline in two placements.

Cathay called the investment by China "a positive development both for the airline and for the future of Hong Kong," adding that it would help further London and Beijing's agreement in the 1984 Joint Declaration on the future of Hong Kong that the colony should remain a center for regional and international aviation after 1997.

China National Aviation Corp. is a unit of Civil Aviation Administration of China. Beijing's top air-

U.S. Investigates Airbus-UAL Deal

Compiled by Our Staff From Dispatches

WASHINGTON — The United States is looking into whether subsidies were involved to Airbus Industrie's agreement to lease 50 planes to United Airlines, and trade action is possible, the U.S. Trade Representative's Office said on Monday.

United Airlines, a unit of UAL Corp. last week chose Airbus Industrie to supply it with new planes. United had long flown planes by Boeing Co.

A spokeswoman for the Trade representative, Cathy Lydon, said "we are looking into the issue of whether subsidies were used in this transaction, and if it is learned they were, we would take action." Ms. Lydon said the action could take the form of a trade complaint with the General Agreement on Tariffs and Trade.

The U.S. investigation comes as Airbus won an order from Korean Air, its biggest Far Eastern customer, for two more A300-600R wide-body jets. Industry sources said the order was worth about \$170 million for the European consortium.

The deal should provide a boost for Airbus, which has been suffering from a sales slump.

Airbus said the 258-seat planes for Korean Air, powered by Pratt & Whitney PW4000 engines, are for delivery in late 1994, and will be used on the carrier's Asian routes. (Reuters, Bloomberg, AP)

ONE OF THE GREAT DESIGNS OF THIS CENTURY. AND PROBABLY THE NEXT.

The Royal Oak, hand-made and individually numbered, automatic movement with central rotor for 21-carat gold, water-resistant to 5 atm.

The Royal Oak is instantly recognized by its unique octagonal shape. A classic design, totally original in concept, with that extraordinary perfection of finish which is the hallmark of the master watchmakers, Audemars Piguet.

Decisive, individual, ageless. One of a kind, like the person who wears it. Like the champion golfer, Nick Faldo. He unhesitatingly chose the Royal Oak as his watch. One leader, it seems, will immediately recognize another.

Request For Proposals
The Port of Long Beach is soliciting proposals for the operation and/or sale of the R.M.S. Queen Mary.

To request a copy of the proposal requirements contact:
Executive Director
Port of Long Beach
P.O. Box 570
Long Beach, CA 90801
(310) 590-4162

All proposals are due by 4:30 p.m. (PDT), August 24, 1992.

THE PORT OF LONG BEACH

AP
AUDEMARS PIGUET
The master watchmakers.

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Cruise.
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Mr. Mugler's expe-

Page 10 MARKET DIARY

Stocks Edge Higher As Volume Shrinks

NEW YORK — U.S. stocks advanced Monday in light trading, with little news to stimulate the market. "We're just dead in the water," said William E. Raftery, vice president...

German Rate Rise Talk Boosts Deutsche Mark

NEW YORK — Speculation that the Bundesbank would tighten the availability of credit in Germany pushed the mark sharply higher on Monday, creating problems for other currencies in the European Monetary System...

3 South African Gold Mines Set Merger

LONDON — Gold Fields of South Africa Ltd. said Monday that agreement has been reached to merge the operations of Kloof Gold Mining Co. and Venterspost Gold Mining Co....

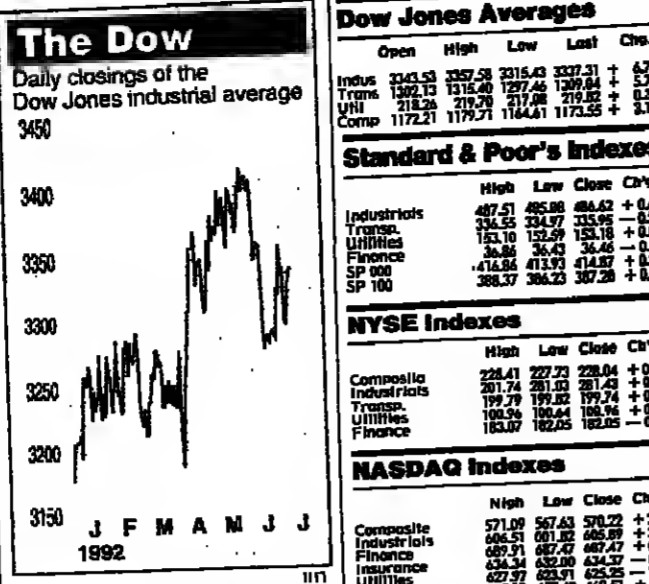


Table of Dow Jones Averages: Includes Standard & Poor's Indexes, NYSE Indexes, and NASDAQ Indexes with columns for High, Low, and Change.

Table of NYSE Most Actives: Lists top trading volume stocks like IBM, Microsoft, and Intel with their respective volume and price changes.

Table of Amex Most Actives: Lists active stocks on the American Stock Exchange.

Table of NASDAQ Most Actives: Lists active stocks on the National Association of Securities Dealers Automated Quotations.

Table of NYSE Diary: Summary of market activity including advanced, declined, and unchanged issues.

Table of Amex Diary: Summary of market activity on the American Stock Exchange.

Table of NASDAQ Diary: Summary of market activity on the NASDAQ.

Table of European Futures: Lists futures contracts for various commodities like food, metals, and stock indices.

Table of Metals: Lists prices for various metals such as aluminum, copper, and zinc.

Table of Stock Indices: Lists major stock indices from different countries and their performance.

Table of Dividends: Lists companies and their dividend payments.

Table of Financial: Lists financial futures contracts like 3-month T-bills and 10-year bonds.

Table of U.S. Futures: Lists U.S. futures contracts for grains, soybeans, and oil.

Table of U.S. Futures (continued): Lists more U.S. futures contracts including livestock and other commodities.

Table of U.S. Futures (continued): Lists additional U.S. futures contracts.

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Table of U.S. Futures (continued): Lists additional U.S. futures contracts.

Alcoa Reports a 2d Quarter Loss PITTSBURGH (Reuters)—Aluminum Co. of America said Monday it had a loss of \$30.6 million in the second quarter, compared with a year-earlier profit of \$81.2 million.

Intel Profit Hit as Old Chip Sales Fall SANTA CLARA, California (UPI)—Intel Corp., citing a decline in sales of its older chips, reported Monday that its second-quarter earnings declined 7.8 percent to \$213 million from a record \$231 million in the year-earlier quarter.

Visa Business Strong Despite Slump SAN FRANCISCO (UPI)—Visa USA reported Monday that first-quarter credit-card transactions remained strong despite the recession to the company posted an 11.5 percent increase in domestic volume to \$40.7 billion in the quarter.

Chrysler Sets Prices for Sedans DETROIT (Bloomberg)—Chrysler Corp. said the base prices of its three new mid-size "LH" sedans to go on sale later this month will range from \$15,930 to \$18,341, depending on model.

Casino Operation Boosts Hilton LOS ANGELES (AP)—Hilton Hotels Corp. on Monday reported a 37 percent gain in second-quarter earnings, coming up a winner in its casino operations.

For the Record Trans World Airlines Inc. will receive \$6.4 million from the city of Chicago for early termination of a lease at O'Hare International Airport, under an agreement approved by a U.S. bankruptcy judge.

WORLD STOCK MARKETS

Table of World Stock Markets: Lists stock indices for various countries including Amsterdam, Brussels, Frankfurt, London, Milan, Madrid, Stockholm, Zurich, and Tokyo.

Markets Closed

Financial markets in Paris were closed Monday for a holiday.

Table of Tokyo: Lists Japanese stock market data.

Table of Sao Paulo: Lists Brazilian stock market data.

Table of Singapore: Lists Singapore stock market data.

Table of Johannesburg: Lists South African stock market data.

Table of Madrid: Lists Spanish stock market data.

Table of Milan: Lists Italian stock market data.

Table of London: Lists UK stock market data.

Stocks Edge Higher

NEW YORK — U.S. stocks advanced Monday in light trading, with little news to stimulate the market.

Table of NYSE Most Actives

Table of Amex Most Actives

Table of NASDAQ Most Actives

Table of NYSE Diary

Table of Amex Diary

Table of NASDAQ Diary

Table of NYSE Most Actives

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Table of U.S. Futures: Grains

Table of U.S. Futures: Soybeans

Table of U.S. Futures: Oil

Table of U.S. Futures: Metals

Table of U.S. Futures: Livestock

Table of U.S. Futures: Financial

Table of U.S. Futures: Commodity

Table of U.S. Futures: Stock Indices

Pirelli Units Fetch Only Modest Price

WPP: Share...

NASDAQ Monday

WPP: Share...

WPP: Share...

WPP: Share...

WPP: Share...

WPP: Share...

WPP: Share...

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WPP: Share...

WPP: Share...

WPP: Share...

Pirelli Units Fetch Only Modest Price

Compiled by Our Staff From Dispatches

LONDON — Debt-strapped Pirelli SpA said Monday that it sold some sealing units to BTR PLC, but analysts expressed disappointment at the price.

The Italian tire and cable maker sold its automotive profiles, anti-vibration and industrial rubber businesses in Britain, Germany and Spain to BTR for £60 million (\$114 million) in cash. BTR will also assume some £50 million in debts.

Sales in 1991 of the businesses acquired were about £285 million. "The price is rather low," said Dagmar Botenbruch, automotive analyst for Credit Suisse First Boston in Milan.

Pirelli originally aimed to sell its diversified businesses, with 1991 sales of 1.7 trillion lire, for 1 trillion lire (\$392 million) or 8.8 percent of sales value, analysts said. But the price for the sealing units is just 38.6 percent of 1991 sales.

Pirelli said the sale would reduce its net debt to just under 3 trillion lire. Analysts said it would also help BTR, the conglomerate that bought Hawker Siddeley PLC for about £1.5 billion last year, to achieve its goal of improving its sealings operation.

Like other tire companies, Pirelli has been battered by price cuts, flat volume, and big interest costs from overseas acquisitions, specifically from its own purchase of the U.S. replacement tire maker Armstrong.

In addition, Pirelli's aborted takeover last year of its German rival, Continental AG, ended up costing it 240 billion lire — about the same as the price for the sealing units.

(Bloomberg, Reuters)

Germany Sorts Out Its Trash

By Ferdinand Protzman

New York Times Service

BONN — When Germany became the first nation to require business and industry to collect and recycle the cans, bottles, cardboard, paper and plastic used to package their products, government officials hailed the move as a revolution.

But as the private recycling system that sprang up to meet that mandate gains momentum, Germans are finding that such pioneering change is neither cheap nor simple.

The nation's new packaging law set up a process that began in December with the requirement that businesses take back and recycle packaging used in transporting their products, such as the crate that had contained a bicycle.

On April 1, businesses became responsible for collecting and recycling all superfluous packaging. By Jan. 1, an average of 50 percent of all consumer-products packaging will have to be recycled.

The law creates higher percentages for glass and other easily recyclable materials and lower ones for plastic and composite materials. The recycling average for all materials must rise to 80 percent by mid-1995.

After a rough start, collection is going well and the amount being recycled is rising steadily. Although industry quickly passed its added costs on to consumers through higher prices, there has been little grumbling from the public because of its willingness to support environmental measures.

But the actual recycling remains problematic. There are not enough plants for some materials, like plastics, and recycling them is often prohibitively expensive.

For other materials, like beverage cartons combining aluminum,

Recycling, Seriously

Minimum requirements for collecting and sorting packaging materials in Germany, as percent of weight.

COLLECTING		
By:	Jan. 1, '93	Jan. 1, '95
Aluminum	30	30
Cardboard	30	30
Glass	60	60
Paper	30	30
Plastics	40	40
Triplaste	30	30
Composite materials	20	20

SORTING		
By:	Jan. 1, '93	July 1, '95
Aluminum	60	80
Cardboard	70	80
Glass	70	80
Paper	60	80
Plastics	30	80
Triplaste	65	90
Composite materials	30	80

Residual material — material that cannot be broken down or is contaminated — will be disposed of as industrial waste.

*Percentage of waste collected.

plastic and paper, no economical recycling process exists. While commercially successful recycling of glass and aluminum has been going on for years, low-quality paper and plastics are a problem because the market is already glutted.

The German government argues that industry will quickly address these problems because the new law demands it. But the law cannot dictate how the marketplace will react to the surging volume of recycled packaging materials.

Some specialists fear that rather than becoming a closed, self-sustaining circle, the German system will simply export packaging waste to other countries, disrupting their markets with oversupply.

When the law was announced, most companies said it was unworkable. They changed their tune when Bonn said that unless they came up with a way of implementing the law, the government would impose a deposit of 50 pfennig (33 cents) on all packaging to promote its return.

Faced with that, about 600 companies, from Coca-Cola GMBH and the chemical giant Bayer AG to small businesses, formed Duales System Deutschland, a private company that works with local governments to collect everything that can be recycled and pass it on to recyclers.

It is already scrambling to keep up with the thousands of tons of trash Germans are dutifully tossing into the distinctive gelbe tonnen, or yellow bins, it provides to any household on demand.

Many observers say they think the Duales System will work. Clemens Stroetmann, the state secretary in the environment ministry, who played an important role in developing the law, has no doubts. "It is working," he said.

If it is right, the law could become a historic high-water mark, indicating where the tide of waste that has risen steadily during the industrial age finally began to ebb. The law's creators see it as leading to the recycling or reusing of almost all Germany's manufactured products.

Other industrial nations, including the United States, Japan and Germany's European neighbors, are watching closely to see if the law can be a model. France is already crafting similar legislation.

\$12 Billion Kazakh Deal For Turkish Contractor

Compiled by Our Staff From Dispatches

ANKARA — Birlesmis Muhendisler Burosu AS said it had reached an \$11.7 billion energy development deal with Kazakhstan on Monday, the largest such agreement ever for a Turkish contractor.

The deal was part of a series of energy protocols signed by Kazakhstan and Turkey, although the Turkish government does not have a stake in the Birlesmis deal. It covers the operation of four oil fields, rehabilitation of wells at two of them, and development of another field.

Birlesmis also will construct an electricity generating plant powered by gas from Kazakhstan fields as part of the deal. The four fields to be developed have reserves of 594 million barrels, Birlesmis executives said. They added that theirs was the second-biggest energy deal signed with Kazakhstan, behind only Chevron Corp.'s arrangement to develop the Tengiz field, which has recoverable reserves of about 7 billion to 10 billion barrels. The Chevron deal will require up to \$20 billion of investment.

The power plant contract is to be signed on Oct. 30 and the oil field contract on Nov. 1, according to Kadir Bakanov, the Kazakh deputy prime minister and energy minister.

He signed a series of protocols with Turkey's energy minister, Ersin Farayli. "The power plant has great importance for us," Mr. Bakanov said. "We are importing electricity from Russia. But I think we will be selling electricity after this plant is completed in three years' time."

He said Kazakhstan needed Turkey's help to find foreign credits that will be repaid in oil. Ali Riza Bozkurt, the Birlesmis general manager, said "We have prepared a \$1.7 billion financial credit package for Kazakhstan based on foreign financial resources to finance the power plant project." He did not give details. A company spokesman said the oil field projects would account for the rest of the \$11.7 billion cost.

"After this deal, we may begin new projects in oil, electricity and the construction of railways and ports," said Mr. Bakanov, who began a two-day visit to Ankara on Sunday.

(Reuters, AFP)

Investor's Europe

Frankfurt DAX	London FTSE 100 Index	Paris CAC 40
1900	2800	1100
1800	2700	1000
1700	2600	900
1600	2500	800
1500	2400	700
1400	2300	600
1300	2200	500
1200	2100	400
1100	2000	300
1000	1900	200
900	1800	100
800	1700	0
700	1600	-100
600	1500	-200
500	1400	-300
400	1300	-400
300	1200	-500
200	1100	-600
100	1000	-700
0	900	-800
-100	800	-900
-200	700	-1000
-300	600	-1100
-400	500	-1200
-500	400	-1300
-600	300	-1400
-700	200	-1500
-800	100	-1600
-900	0	-1700
-1000	-100	-1800
-1100	-200	-1900
-1200	-300	-2000
-1300	-400	-2100
-1400	-500	-2200
-1500	-600	-2300
-1600	-700	-2400
-1700	-800	-2500
-1800	-900	-2600
-1900	-1000	-2700
-2000	-1100	-2800
-2100	-1200	-2900
-2200	-1300	-3000
-2300	-1400	-3100
-2400	-1500	-3200
-2500	-1600	-3300
-2600	-1700	-3400
-2700	-1800	-3500
-2800	-1900	-3600
-2900	-2000	-3700
-3000	-2100	-3800
-3100	-2200	-3900
-3200	-2300	-4000
-3300	-2400	-4100
-3400	-2500	-4200
-3500	-2600	-4300
-3600	-2700	-4400
-3700	-2800	-4500
-3800	-2900	-4600
-3900	-3000	-4700
-4000	-3100	-4800
-4100	-3200	-4900
-4200	-3300	-5000
-4300	-3400	-5100
-4400	-3500	-5200
-4500	-3600	-5300
-4600	-3700	-5400
-4700	-3800	-5500
-4800	-3900	-5600
-4900	-4000	-5700
-5000	-4100	-5800
-5100	-4200	-5900
-5200	-4300	-6000
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-5400	-4500	-6200
-5500	-4600	-6300
-5600	-4700	-6400
-5700	-4800	-6500
-5800	-4900	-6600
-5900	-5000	-6700
-6000	-5100	-6800
-6100	-5200	-6900
-6200	-5300	-7000
-6300	-5400	-7100
-6400	-5500	-7200
-6500	-5600	-7300
-6600	-5700	-7400
-6700	-5800	-7500
-6800	-5900	-7600
-6900	-6000	-7700
-7000	-6100	-7800
-7100	-6200	-7900
-7200	-6300	-8000
-7300	-6400	-8100
-7400	-6500	-8200
-7500	-6600	-8300
-7600	-6700	-8400
-7700	-6800	-8500
-7800	-6900	-8600
-7900	-7000	-8700
-8000	-7100	-8800
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-8600	-7700	-9400
-8700	-7800	-9500
-8800	-7900	-9600
-8900	-8000	-9700
-9000	-8100	-9800
-9100	-8200	-9900
-9200	-8300	-10000
-9300	-8400	-10100
-9400	-8500	-10200
-9500	-8600	-10300
-9600	-8700	-10400
-9700	-8800	-10500
-9800	-8900	-10600
-9900	-9000	-10700
-10000	-9100	-10800
-10100	-9200	-10900
-10200	-9300	-11000
-10300	-9400	-11100
-10400	-9500	-11200
-10500	-9600	-11300
-10600	-9700	-11400
-10700	-9800	-11500
-10800	-9900	-11600
-10900	-10000	-11700
-11000	-10100	-11800
-11100	-10200	-11900
-11200	-10300	-12000
-11300	-10400	-12100
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-11500	-10600	-12300
-11600	-10700	-12400
-11700	-10800	-12500
-11800	-10900	-12600
-11900	-11000	-12700
-12000	-11100	-12800
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-12200	-11300	-13000
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-14800	-13900	-15600
-14900	-14000	-15700
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-16200	-15300	-17000
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-18700	-17800	-19500
-18800	-17900	-19600
-18900	-18000	-19700
-19000	-18100	-19800
-19100	-18200	-19900
-19200	-18300	-20000
-19300	-18400	-20100
-19400	-18500	-20200
-19500	-18600	-20300
-19600	-18700	-20400
-19700	-18800	-20500
-19800	-18900	-20600
-19900	-19000	-20700
-20000	-19100	-20800

NYSE

Monday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

High Low Open Close Bid Ask

Symbol	High	Low	Open	Close	Bid	Ask
IBM	114 1/4	113 3/4	114 1/4	114 1/4	114 1/4	114 1/4
MSFT	41 1/4	41 1/4	41 1/4	41 1/4	41 1/4	41 1/4
GE	34 1/4	34 1/4	34 1/4	34 1/4	34 1/4	34 1/4
AMT	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4
DIS	25 1/4	25 1/4	25 1/4	25 1/4	25 1/4	25 1/4
INTL	24 1/4	24 1/4	24 1/4	24 1/4	24 1/4	24 1/4
WAL	23 1/4	23 1/4	23 1/4	23 1/4	23 1/4	23 1/4
TRW	22 1/4	22 1/4	22 1/4	22 1/4	22 1/4	22 1/4
GM	21 1/4	21 1/4	21 1/4	21 1/4	21 1/4	21 1/4
AT&T	20 1/4	20 1/4	20 1/4	20 1/4	20 1/4	20 1/4
BA	19 1/4	19 1/4	19 1/4	19 1/4	19 1/4	19 1/4
CVX	18 1/4	18 1/4	18 1/4	18 1/4	18 1/4	18 1/4
PG	17 1/4	17 1/4	17 1/4	17 1/4	17 1/4	17 1/4
DUK	16 1/4	16 1/4	16 1/4	16 1/4	16 1/4	16 1/4
W	15 1/4	15 1/4	15 1/4	15 1/4	15 1/4	15 1/4
SPX	14 1/4	14 1/4	14 1/4	14 1/4	14 1/4	14 1/4
IBM	13 1/4	13 1/4	13 1/4	13 1/4	13 1/4	13 1/4
MSFT	12 1/4	12 1/4	12 1/4	12 1/4	12 1/4	12 1/4
GE	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4
AMT	10 1/4	10 1/4	10 1/4	10 1/4	10 1/4	10 1/4
DIS	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
INTL	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
WAL	7 1/4	7 1/4	7 1/4	7 1/4	7 1/4	7 1/4
TRW	6 1/4	6 1/4	6 1/4	6 1/4	6 1/4	6 1/4
GM	5 1/4	5 1/4	5 1/4	5 1/4	5 1/4	5 1/4
AT&T	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
BA	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
CVX	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4
PG	1 1/4	1 1/4	1 1/4	1 1/4	1 1/4	1 1/4
DUK	1/4	1/4	1/4	1/4	1/4	1/4

Symbol	High	Low	Open	Close	Bid	Ask
IBM	114 1/4	113 3/4	114 1/4	114 1/4	114 1/4	114 1/4
MSFT	41 1/4	41 1/4	41 1/4	41 1/4	41 1/4	41 1/4
GE	34 1/4	34 1/4	34 1/4	34 1/4	34 1/4	34 1/4
AMT	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4	27 1/4
DIS	25 1/4	25 1/4	25 1/4	25 1/4	25 1/4	25 1/4
INTL	24 1/4	24 1/4	24 1/4	24 1/4	24 1/4	24 1/4
WAL	23 1/4	23 1/4	23 1/4	23 1/4	23 1/4	23 1/4
TRW	22 1/4	22 1/4	22 1/4	22 1/4	22 1/4	22 1/4
GM	21 1/4	21 1/4	21 1/4	21 1/4	21 1/4	21 1/4
AT&T	20 1/4	20 1/4	20 1/4	20 1/4	20 1/4	20 1/4
BA	19 1/4	19 1/4	19 1/4	19 1/4	19 1/4	19 1/4
CVX	18 1/4	18 1/4	18 1/4	18 1/4	18 1/4	18 1/4
PG	17 1/4	17 1/4	17 1/4	17 1/4	17 1/4	17 1/4
DUK	16 1/4	16 1/4	16 1/4	16 1/4	16 1/4	16 1/4
W	15 1/4	15 1/4	15 1/4	15 1/4	15 1/4	15 1/4
SPX	14 1/4	14 1/4	14 1/4	14 1/4	14 1/4	14 1/4
IBM	13 1/4	13 1/4	13 1/4	13 1/4	13 1/4	13 1/4
MSFT	12 1/4	12 1/4	12 1/4	12 1/4	12 1/4	12 1/4
GE	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4	11 1/4
AMT	10 1/4	10 1/4	10 1/4	10 1/4	10 1/4	10 1/4
DIS	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4	9 1/4
INTL	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4	8 1/4
WAL	7 1/4	7 1/4	7 1/4	7 1/4	7 1/4	7 1/4
TRW	6 1/4	6 1/4	6 1/4	6 1/4	6 1/4	6 1/4
GM	5 1/4	5 1/4	5 1/4	5 1/4	5 1/4	5 1/4
AT&T	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
BA	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
CVX	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4
PG	1 1/4	1 1/4	1 1/4	1 1/4	1 1/4	1 1/4
DUK	1/4	1/4	1/4	1/4	1/4	1/4

(Continued on next page)

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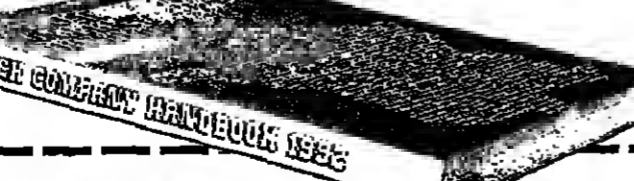
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LATIN AMERICA THE NEW ECONOMIC CLIMATE

Madrid, July 21-22, 1992

A major conference co-sponsored by the International Herald Tribune, Inter-American Development Bank and Argentina-Corporación Bancaria de España

JULY 21

JULY 22

- 09.30 CHAIRMAN'S INTRODUCTORY REMARKS
 Axel Krause, Corporate Editor, International Herald Tribune
 Francisco Luzón, Chairman, ARGENTARIA - Corporación Bancaria de España
- 09.45 KEYNOTE ADDRESS
 Carlos Solchaga, Minister of Economy and Finance, Spain
- 10.15 LATIN AMERICA: THE SEA CHANGE IN ECONOMIC THINKING AND PLANNING
 Enrique V Iglesias, President, Inter-American Development Bank
- 10.45 HOW THE NEW IDEAS ARE PROMOTING A MORE STABLE FORM OF GROWTH
 Samuel Doris Medina, Minister of Planning, Bolivia
 José Angel Gurria, Undersecretary for International Financial Affairs, Mexico
 Ricardo Hausmann, Minister of Planning, Venezuela
- 12.15 Coffee
- 12.45 INVESTMENT IN LATIN AMERICA: BETTER OFF AND BACK IN FASHION
 Francisco Luzón, Chairman, ARGENTARIA - Corporación Bancaria de España
 Pedro-Pablo Kuczynski, President & Chief Executive Officer, Nueva Management Inc.
 Günther H. Müller, General Manager, Interamerican Investment Corporation
- 14.15 Lunch
 LATIN AMERICAN ECONOMY AFTER THE ADJUSTMENT
 Guest speaker: Alejandro Foxley, Minister of Finance, Chile
- 16.00 COMBINING ENVIRONMENTAL PROTECTION AND SUSTAINABLE DEVELOPMENT
 Herman Bravo, Minister of Natural Resources, Energy and Mines, Costa Rica
 Stephan Schmidheiny, Chairman, Anova AG, Switzerland, and Chairman, Business Council for Sustainable Development
- 17.00 ROUND TABLE: LATIN AMERICA'S PRIVATIZATION PROGRAMS
 A Host Government View:
 Eduardo M. Modiano, President, National Development Bank of Brazil
 An Investor's View:
 Miguel Aguiló, Chairman, Iberia Airlines
 A Banker's View:
 Gerrit J. Tamms, Vice Chairman, NMB Postbank Groep NV
- 18.30 Cocktail Reception - Hosted by ARGENTARIA
- 09.30 WHY FOREIGN COMPANIES ARE LOOKING AGAIN AT LATIN AMERICA
 Moderator: Robert Panero, President, Robert Panero Associates Inc.
 Christian d'Aumale, Advisor to the President, Société Lyonnaise des Eaux
 David de Pury, Co-Chairman, ABB Asea Brown Boveri Group
 Cándido Velázquez, Chairman, Teléfonos de España
- 10.45 LATIN AMERICAN INTEGRATION: A RENEWED CATALYST FOR COOPERATION
 Moderator: Gerit Rosenzthal, Secretary General, United Nations Economic Commission for Latin America & the Caribbean
 Central America's Peace Dividends:
 Erwin J. Krüger, Minister of External Cooperation, Nicaragua
 The Andean Pact Revival:
 Enrique García, President, Andean Development Corporation, Venezuela
 The Mercosur:
 Félix Peña, Assistant Undersecretary for Mercosur and Inter-American Economic Relations, Argentina
- 12.00 Coffee
- 12.20 ADJUSTMENT MEASURES: GETTING THE SOCIAL BALANCE RIGHT
 Carlos O. Ominami, Minister of Economy, Chile
 Louis J. Emmeré, President, OECD Development Centre
- 13.15 LATIN AMERICA STOCK MARKETS: THE EMERGENT STARS
 Alvaro Vidigal, Chairman, Sao Paulo Stock Exchange
 Audley Twiston Davies, Managing Director, Latin American Securities Limited
- 14.15 CONCLUSIONS OF THE CONFERENCE
 Enrique V Iglesias, President, Inter-American Development Bank
- 14.30 Lunch
 Special Address: H E Luis Alberto Lacalle Herrera, President of Uruguay
- 16.30 Close of conference

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AMEX

Monday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trading elsewhere. Via The Associated Press

12 Month High	Low	52 Wk High	52 Wk Low	12 Month High	Low	52 Wk High	52 Wk Low	12 Month High	Low	52 Wk High	52 Wk Low
100	95	105	90	110	100	115	105	120	110	125	115
110	105	115	100	120	110	125	115	130	120	135	125
120	115	125	110	130	120	135	125	140	130	145	135
130	125	135	120	140	130	145	135	150	140	155	145
140	135	145	130	150	140	155	145	160	150	165	155
150	145	155	140	160	150	165	155	170	160	175	165
160	155	165	150	170	160	175	165	180	170	185	175
170	165	175	160	180	170	185	175	190	180	195	185
180	175	185	170	190	180	195	185	200	190	205	195
190	185	195	180	200	190	205	195	210	200	215	205
200	195	205	190	210	200	215	205	220	210	225	215
210	205	215	200	220	210	225	215	230	220	235	225
220	215	225	210	230	220	235	225	240	230	245	235
230	225	235	220	240	230	245	235	250	240	255	245
240	235	245	230	250	240	255	245	260	250	265	255
250	245	255	240	260	250	265	255	270	260	275	265
260	255	265	250	270	260	275	265	280	270	285	275
270	265	275	260	280	270	285	275	290	280	295	285
280	275	285	270	290	280	295	285	300	290	305	295
290	285	295	280	300	290	305	295	310	300	315	305
300	295	305	290	310	300	315	305	320	310	325	315
310	305	315	300	320	310	325	315	330	320	335	325
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330	325	335	320	340	330	345	335	350	340	355	345
340	335	345	330	350	340	355	345	360	350	365	355
350	345	355	340	360	350	365	355	370	360	375	365
360	355	365	350	370	360	375	365	380	370	385	375
370	365	375	360	380	370	385	375	390	380	395	385
380	375	385	370	390	380	395	385	400	390	405	395
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430	425	435	420	440	430	445	435	450	440	455	445
440	435	445	430	450	440	455	445	460	450	465	455
450	445	455	440	460	450	465	455	470	460	475	465
460	455	465	450	470	460	475	465	480	470	485	475
470	465	475	460	480	470	485	475	490	480	495	485
480	475	485	470	490	480	495	485	500	490	505	495
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550	545	555	540	560	550	565	555	570	560	575	565
560	555	565	550	570	560	575	565	580	570	585	575
570	565	575	560	580	570	585	575	590	580	595	585
580	575	585	570	590	580	595	585	600	590	605	595
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610	605	615	600	620	610	625	615	630	620	635	625
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640	635	645	630	650	640	655	645	660	650	665	655
650	645	655	640	660	650	665	655	670	660	675	665
660	655	665	650	670	660	675	665	680	670	685	675
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680	675	685	670	690	680	695	685	700	690	705	695
690	685	695	680	700	690	705	695	710	700	715	705
700	695	705	700	710	700	715	705	720	710	725	715
710	705	715	700	720	710	725	715	730	720	735	725
720	715	725	710	730	720	735	725	740	730	745	735
730	725	735	720	740	730	745	735	750	740	755	745
740	735	745	730	750	740	755	745	760	750	765	755
750	745	755	740	760	750	765	755	770	760	775	765
760	755	765	750	770	760	775	765	780	770	785	775
770	765	775	760	780	770	785	775	790	780	795	785
780	775	785	770	790	780	795	785	800	790	805	795
790	785	795	780	800	790	805	795	810	800	815	805
800	795	805	790	810	800	815	805	820	810	825	815
810	805	815	800	820	810	825	815	830	820	835	825
820	815	825	810	830	820	835	825	840	830	845	835
830	825	835	820	840	830	845	835	850	840	855	845
840	835	845	830	850	840	855	845	860	850	865	855
850	845	855	840	860	850	865	855	870	860	875	865
860	855	865	850	870	860	875	865	880	870	885	875
870	865	875	860	880	870	885	875	890	880	895	885
880	875	885	870	890	880	895	885	900	890	905	895
890	885	895	880	900	890	905	895	910	900	915	905
900	895	905	890	910	900	915	905	920	910	925	915
910	905	915	900	920	910	925	915	930	920	935	925
920	915	925	910	930	920	935	925	940	930	945	935
930	925	935	920	940	930	945	935	950	940	955	945
940	935	945	930	950	940	955	945	960	950	965	955
950	945	955	940	960	950	965	955	970	960	975	965
960	955	965	950	970	960	975	965	980	970	985	975
970	965	975	960	980	970	985	975	990	980	995	985
980	975	985	970	990	980	995	985	1000	990	1005	995

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Here are the apartments, impressions of the Singapore City.

مکان الیچیل

SPORTS

Anybody Here Seen Kelly? As Twins Soar, Boss Hides

By Ira Berkow
NEW YORK — After bumpy going early this season, the Minnesota Twins, the defending World Series champions, find themselves in first place in the American League West. As usual, the manager isn't taking any credit. Some people have had it up to here with Tom Kelly's self-effacement as he proclaims "I just sit in the corner of the dugout and don't bother anybody." But sometimes, sometimes, it's true. On the bench he may in fact impersonate a mummy swathed in double-knit.

All-Star Game, have won two World Series championships in the last five years, one last season and one in 1987. They came back in 1991 from a last-place finish the year before to beat the Atlanta Braves in seven games in the World Series. In 1987, Kelly, as a rookie big-league manager and the youngest in the majors then, at age 37, led the Twins to a seven-game Series triumph over the St. Louis Cardinals.

Kelly's words with a sardonic smile. "Most of the players aren't idiots. They knew who he was talking about. I didn't like being made a scapegoat." Kelly benched Knoblauch for one game. Knoblauch, as he is known to his teammates, is among the four or five that plays a regular game of casino for about half an hour in the manager's office, with Kelly and two coaches. Wayne Terwilliger and Rick Steimle. He was seated at his locker, head drooping, after the meeting when Kelly, with the characteristic stub of a dark cigar clenched between his teeth, went over. "You can still be mad at us," he said, "but you shouldn't be bailing out of the card game."

this game," he said. "I shouldn't have let Chili hunt, but let him swing away." He said referring to Chili Davis. He recalled that moment: "But what made me mad about the Chili Davis thing was that nobody disagreed with me that I had blown it." At Yankee Stadium recently, Kelly sat at his desk in the meagerly appointed office of the visiting manager. His blond hair is patched with white, he wears Ben Franklin glasses and he smokes what appears to be about the stub of a cigar.

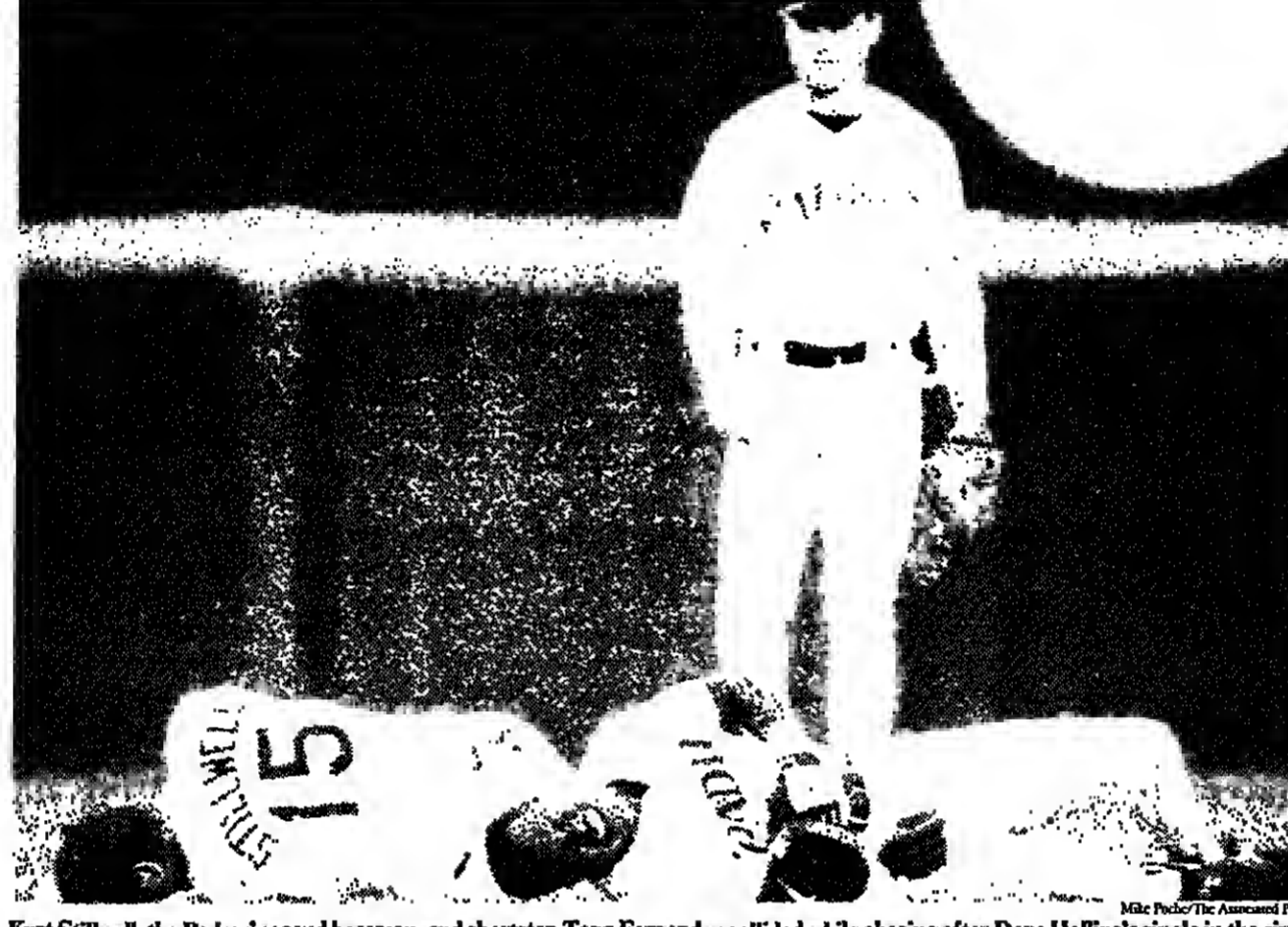
Send out a lame horse, and you'll get a lame horse back. "So I like to rest my players as often as I can. You want to keep them healthy. And that's why I try to use the entire roster of players. And attitude is important with horses and players. I like to rest a player on an up-note. If he goes 0 for 4 and I rest him, he's bothered about his bad day. But if he goes 2 for 3, and I rest him, he's a happier player."



"I learned the saying in racing. 'If you send out a good horse, you'll get a good horse back. Send out a lame horse, and you'll get a lame horse back.'"

Germany and U.S. Advance Easily in Federation Cup

FRANKFURT — Top-seeded Germany, led by Wimbledon champion Steffi Graf, downed New Zealand, 3-0, and advanced Monday to the second round of the Federation Cup, the women's tennis equivalent of the Davis Cup.



Kurt Stillwell, the Padres' second baseman, and shortstop Tony Fernandez collided while chasing after Dave Hollins' single in the sixth inning of the game against the Phillies. Stillwell was taken to a hospital, with a rib injury, while Fernandez left the game in the eighth.

Blauer's 3d Homer Beats Cubs in 10th As Braves Close Gap

The Atlanta Braves got a power boost from an unlikely source. Jeff Blauer, who entered the game with only 39 homers during six years in the major leagues, hit three Sunday and capped his day with a three-run shot in the 10th inning for a 7-4 victory over the Cubs in Chicago.

Blauer is the second major leaguer to hit three homers in a game this season — Juan Gonzalez of Texas did it against Minnesota on June 7 — and the first Brave to accomplish the feat since Jeff Treadway against Philadelphia on May 26, 1990.

Bush Loses Magic Johnson's Vote

NEW YORK (Reuters) — Basketball star Magic Johnson says he will be quitting the U.S. government's commission on AIDS, blaming President George Bush for not providing enough money to fight the disease.

China Hiring CIS Soccer Players

BEIJING (Reuters) — China's first professional soccer team plans to beat up its aged by hiring six players from the Commonwealth of Independent States (CIS) on Monday.

IOC Sending Relief Aid to Sarajevo

BRUSSELS (Reuters) — The International Olympic Committee said Monday it will send 64 tons of food and emergency aid to the besieged Bosnian capital of Sarajevo, host city of the 1984 Winter Olympics.

Crenshaw Fails to Make Open Field

GULLANE, Scotland (AP) — Ben Crenshaw failed Monday in his second attempt to qualify for this week's British Open, making him 0 for 2 this year in bids to win a spot in golf's major championships.

Winning Royals Clutch at Second-Half Hopes

Thanks to clutch pitching, the Kansas City Royals emerged from a rainy game in Milwaukee County Stadium with another victory and new hope entering the second half of the season.

AMERICAN LEAGUE
Sunday's Line Scores
Chicago 9th 113-3 4 1
Boston 9th 113-3 4 1
Atlanta 9th 113-3 4 1
New York 9th 113-3 4 1
Detroit 9th 113-3 4 1
Cleveland 9th 113-3 4 1
Toronto 9th 113-3 4 1
Minnesota 9th 113-3 4 1
Milwaukee 9th 113-3 4 1
Kansas City 9th 113-3 4 1

Vincent: Now Attack By the Phantom Fax

NEW YORK — Add the case of the elusive fax to Fay Vincent's portfolio of problems. A group of owners has been circulating a fax that asks colleagues to sign a letter intended to induce Vincent to resign as commissioner of major league baseball, according to several other owners and Vincent himself.

For the Record

David Peoples bogeyed three of his last five holes Sunday but won the Anheuser-Busch Golf Classic in Williamsburg, Virginia, when Ed Dougherty missed a 5-foot birdie putt on the final hole.

SCOREBOARD

Major League Standings
AMERICAN LEAGUE
East Division
Toronto 52 34 .603
Boston 48 38 .558
Milwaukee 45 41 .520
Detroit 42 44 .489
Cleveland 41 45 .477
West Division
Minnesota 51 35 .593
Oakland 48 38 .558
Texas 48 38 .558
Chicago 42 44 .489
California 38 54 .413
NATIONAL LEAGUE
East Division
Pittsburgh 49 39 .557
St. Louis 44 44 .500
New York 42 46 .477
Philadelphia 36 62 .364
West Division
Chicago 51 35 .593
San Diego 47 39 .547
San Francisco 41 45 .477
Houston 39 47 .450

BASEBALL

Baseball game results and scores. Includes sections for Tour de France, Federation Cup, and Japanese Baseball.

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AT&T USADirect Service international access numbers table. Lists countries and phone numbers for direct dialing.

ART BUCHWALD

Bush's Desert Secret

WASHINGTON — Last year the wise people in Washington predicted that Desert Storm would be the centerpiece of the Bush political campaign. The president could not miss with all the film of our boys striking a blow for freedom.



Buchwald

You can read George Bush's lips from here to California, and not one word has been uttered about the war. "Why," some may ask, "has Desert Storm become a bigger secret in Washington than Deep Throat?"

Lincoln Castings Back in Museum

CHICAGO — Missing bronze castings of Abraham Lincoln's head and hands were back Monday at the museum from which they had been stolen but police said they had no suspects in the theft.

Saint-Exupéry Mystery: One More Look

By Sharon Waxman

Washington Post Service

PARIS — It was almost as if he fell off the Earth, just like his Little Prince fell onto it. In July 1944, one of France's most beloved writers climbed into the cockpit of a 14-meter (45-foot) P38 Lightning and disappeared without calling for help and without a trace.



The pilot and author of "The Little Prince" disappeared without a trace on a wartime mission on July 31, 1944.

Antoine de Saint-Exupéry, author of "The Little Prince" and a dozen other works, painter, pilot, adventurer and tenacious believer, despite all evidence to the contrary, in the goodness of man, has been mourned in absentia for nearly 50 years by all those who loved his sensitive, tow-haired hero from Asteroid B-612.

think they have learned anything about him. . . . They are like that. One must not hold it against them. Children should always show great forbearance toward grown-up people.

A handful of full-time researchers has been working for the past year, culling documents and verifying eyewitness reports on the disappearance. There is one witness, for example, a man who was 17 in 1944 and lived near Antibes on the Riviera.

Animal-Loving Prince

Kills 'Bear-Hunting' Ad

An Amsterdam ad agency has withdrawn a Mazda advertisement after the Dutch government complained that it portrayed Prince Bernhard, an animal protection activist, as a bear hunter.

Johnny Carson is coming out of retirement just seven weeks after ending his 30-year run as host of "The Tonight Show."

Sylvester Stallone, in London to promote the opening in December of a branch of his New York restaurant Planet Hollywood, deflected rumors that he and the Duchess of York, the former Sarah Ferguson, are now an item.

Annie Murphy, the American whose revelation that Bishop Edmund Casey fathered her son, Peter, forced the bishop to resign in May, has returned to Ireland to write a book about her experiences.

Prince Naruhito, 32, the heir to Japan's Chrysanthemum throne, is still looking for a bride and has asked the news media to continue to keep mum about his progress.

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